

THE SECOND PHASE OF SLOVENE COOPERATIVISM (1894-1918)

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Introduction

The history of Slovene cooperativism through the collapse of the Habsburg Monarchy can be divided into two phases, which differ significantly with respect to both their social and national goals, as well as to their dynamics. The first phase encompasses the period starting with the beginning of the Slovene cooperative movement in the 1870s through 1894, and was characterized by the activities of the brothers Mihael and Josip Vošnjak.¹ Mihael Vošnjak started by setting up in Lower Styria credit unions organized on the principle of the Schulze-Delitzsch cooperatives, and shortly afterwards expanding into Carinthia, Carniola and the Littoral. He wished to pool Slovene bourgeois capital, which would serve as an economic basis for the Slovene national movement by means of this type of savings and loan association, offering in addition a great degree of influence to wealthier members.² Concern for the increasing indebtedness of farmers who badly needed cheap credit was not the prime motivation in this context. The foundation of these savings associations, which were incorporated in 1883 in the *Zveza slovenskih posojilnic v Celju*,³ nevertheless marked a first step toward resolving the very difficult issue of agrarian credit, which was a key problem in the heightening agrarian crisis.

The Krek Cooperative: Rationale and Role

An effective rural 'self-help' organization emerged only during the second phase of the Slovene cooperative movement. This organization started in the mid-1890s and was closely identified with the work of the important Slovene social reformer and national pioneer Janez Evangelist Krek (1865-1917).⁴ Krek's cooperative organization, as part of the Slovene Catholic renovation movement, had an ideological and political framework, and—as opposed to the Vošnjak brothers' activities—had a primarily social function. Its aim was to save farmers with small and medium-sized holdings from ruin. The farmers, once strengthened and organized in this way, would then provide the best protection against any attempts at Germanization or Italianization.⁵ Krek outlined his vision of how to rescue the farmers from the agrarian crisis and of the role that the farmer would play in a future reformed society, organized along class lines, in his basic programme of the Slovene Christian Social movement, developed in 1895.⁶

His basic idea can be summarized in a three-step programme. Phase one, according to Krek, must begin with credit unions,⁷ or rather with credit unions based on the Raiffeisen principle which he charged with a double function, both moral and economic. The savings and loan associations that were based on Raiffeisen principles were best suited to overcoming economic egoism and re-establishing an attitude of solidarity, as well as creating a feeling of economic unity, because the membership shares were equally small, and furthermore because all members had the same rights and obligations. This feeling of economic unity was in fact a prerequisite to overcoming unlimited liberalism and hence capitalism. The economic task of the Raiffeisen savings and loan associations, however, was combatting usury. Only if the farmer could obtain cheap credit would he no longer be at the mercy of usurers and the village rich. In this respect, Krek and his colleagues were able to achieve remarkable success with their credit unions within a matter of a few years.

Usury, which had flourished primarily in Carinthia and the Littoral, was eradicated to a large extent.⁸

Krek's idea was that, once the savings and loan associations had been firmly anchored, the second phase in the programme could begin, i.e., the establishment of various types of agricultural cooperative—dairy, animal husbandry and viticulture cooperatives, machinery cooperatives, consumers' cooperatives, purchase and sales cooperatives, and so on.

Finally, the planned third phase would encompass credit unions and agricultural cooperatives which together would form the basis for the autonomous organization of the entire peasantry. Organized in this way, the farmers, along with the workers and tradesmen, would form a part—with respect to the social structure of the Slovenes, the most important part—of the new social order. Cooperativism would beat capitalism at its own game. This was a utopia, as further developments showed.

The Early Cooperative Movement

When Krek began his work in the area of cooperatives there were only 81 credit unions in all the Slovene lands.⁹ Within ten years their number rose to over 200, and the total number of Slovene cooperatives had already reached about 480; this included agricultural, consumers' and production cooperatives, which gradually began to develop during this period.¹⁰ The development was however at this point far from reaching its peak. The major credit for this boom goes, without any doubt, to the tireless activity of Krek and his fellow workers. Krek succeeded primarily by enlisting the help of Ivan Šušteršič, later governor of the province of Carniola. The main advocates of the cooperative movement, however, were the parish priests in the countryside who, in most cases, took over the leadership of the individual cooperatives as self-taught specialists in the area. During the first phase, the Raiffeisen savings and loans associations were usually housed in rectories.¹¹ It was with good reason, therefore, that Krek's motto referred to parishes: "Every parish should have its own Raiffeisen savings and loan association!"¹²

Krek laid the groundwork with articles in the newspapers of the Catholic Party, *Slovenec* and *Domoljub*,¹³ as well as in discussions and speeches which he held nearly every Sunday and holiday all across the Slovene lands, both at public and private gatherings. Subsequently, the first Raiffeisen savings and loan association was founded in 1894, at Trnovo near Ilirska Bistrica; and shortly thereafter, the second one, at Dobropolje. At the opening of the latter Krek took part personally.¹⁴

At this point the *Zveza kranjskih posojilnic*, which had been created on December 12, 1895 by Šušteršič and Krek, already comprised 13 Raiffeisen savings and loan associations.¹⁵ A *Gospodarska zveza* (Economic Federation) was established, in addition to this central office, on March 17, 1898, with the aim of uniting all the other agricultural cooperatives and of propagating the cooperative idea in the Slovene lands beyond Carniola.¹⁶ Because the constantly growing number of cooperatives¹⁷ proved to be too much for both institutions, which had been founded on an association basis, they were then united and on July 19, 1900, a new *Gospodarska zveza* was set up, based on the Law for Cooperatives of 1873. Ivan Šušteršič was elected president, and Krek a member of the council.¹⁸ These two men, together with Franc Jaklič, Janez Hladnik and Peter Hauptmann—to mention only the most important names—had contributed a great deal to the popularization of the cooperative way of thinking in the period 1894-1900. The fruits of their efforts were harvested by the new *Gospodarska zveza*, which by the end of 1902 already united 159 cooperatives with approximately 40,000 members, thereby surpassing

the corresponding federation in Celje, which encompassed one-third fewer cooperatives. The emphasis of the cooperative movement had thus shifted from Celje to Ljubljana.¹⁹

Šušteršič, who had been chairman of the Catholic National Party since 1899, resigned from the board of the *Gospodarska zveza* in order to steer the central office of the cooperative movement clear of party infighting—a gesture which was only partly successful.²⁰ Subsequently, on December 29, 1902, Krek was elected president²¹ and fulfilled this function until his death on October 8, 1917. Anton Korošec, already at the time the leading Slovene politician,²² was named his successor on October 25, 1917.

Creation and Expansion of the *Zadružna zveza*

It was only in 1903, pursuant to the long-awaited Law on Cooperatives which for the first time provided for the regular, binding audits of all cooperatives, that a final organizational form was established for the cooperatives' central office, which had been set up on a Catholic basis. On December 10, 1903, the *Gospodarska zveza* was renamed the *Zadružna zveza* and had from then on to perform the following tasks: to promote the establishment of new cooperatives and to provide them with legal assistance, and above all to audit and to administer the central banking unit²³ which was charged with balancing the cash flow of the loan association as well as covering credit demand from the cooperatives. Hitherto the *Ljudska posojilnica* which had been founded in 1895 had functioned as the clearing post.²⁴ The post of director of the central banking unit was entrusted to Ivan Rožman, who gained great recognition managing the business of this association, along with the auditors Vekoslav Pelc and Vladimir Pušenjak, as well as the leading managers Ivan Traven and Anton Kralj.

In addition to the *Zadružna zveza*—which name was retained until the federation was liquidated in 1947—a business headquarters was established for the various economic cooperatives under the name *Gospodarska zveza*, a name already well-known in the business community; and this headquarters was also a member of the *Zadružna zveza*.²⁵ The *Zadružna zveza* itself joined the chief federation of the cooperative centers in Cisleithania, the *Allgemeiner Verband landwirtschaftlicher Genossenschaften in Österreich*.²⁶ At the 1909 members' meeting Krek was elected vice-president²⁷—an expression of high esteem for the significant achievements of the Slovene cooperative movement and of its leading representatives, and also for its importance to the Austrian movement as a whole.²⁸

From the very beginning Krek, as president of the strongest Slovene cooperative federation, tried to centralize the Slovene cooperatives in Ljubljana as his own federation. On December 11, 1903 he therefore called a referendum in which all the Slovene federations participated. His plan did not however materialize, either then or in the following years.²⁹ On the contrary, a further splintering of the Slovene cooperatives occurred. In 1904 people in Gorica founded their own federation and in 1907 even the liberals in Carniola, who for years had strongly opposed the Catholic cooperatives,³⁰ started their own organization.³¹ All these activities did not however hinder the development of the *Zadružna zveza*. The number of its cooperatives continued to increase from year to year (cf. TABLE I³²), and reached its peak in 1913 with 682 cooperatives and approximately 150,000 members.

As early as 1904 Krek had expanded his organization also to Dalmatia³³ and he was able to speak of a "South Slavic economic parliament," since the cooperative federation now included members from all the South Slavic areas of Cisleithania.³⁴ The *Zadružna zveza* invested not only a great deal of money but also much educational work in Dalmatia.³⁵ Results proved these actions correct: the number of its Dalmatian cooperatives rose from

TABLE I: The "Zadružna zveza" in Ljubljana 1900 - 1912: Number of co-operatives and membership

year	total		credit unions (savings and loan associations)		agricultural, consumers' and other co-operatives	
	number	member- ship	number	member- ship	number	member- ship
1900	90	?	58	?	32	?
1901	157	38.685	104	27.309	53	11.376
1902	176	45.046	107	31.158	69	13.888
1903	181	47.540	113	34.065	68	13.475
1904	224	58.256	131	41.894	93	16.342
1905	285	65.475	159	49.200	126	16.275
1906	322	71.940	183	53.069	139	18.875
1907	360	84.203	225	64.729	135	19.574
1908	453	99.493	303	78.150	150	21.343
1909	483	110.253	349	90.490	131	19.763
1910	522	125.217	378	103.249	144	21.968
1911	557	131.340	397	108.813	150	22.527
1912	575	137.444	405	115.114	170	22.330

27 in 1906 to 92 in 1913. In 1909-1910 Krek managed to incorporate also the Slovene cooperatives in Carinthia into the *Zadružna zveza*: these cooperatives until then were mainly part of the federation in Celje.³⁶ Even before that time, the organization of the federation from a regional point of view was on its way to being perfected. Sub-offices were established in Maribor and Split in 1907 for the Styrian and Dalmatian cooperatives, respectively. In 1910 a sub-office for Carinthia was added in Celovec/Klagenfurt.³⁷

If we now look at the regional development of the Slovene cooperatives, we can state that the founding of new cooperatives proceeded most quickly in Carniola and Styria, and that progress in the Littoral was satisfactory. In Carinthia, however, the promising development of the first phase through the middle of the 1890s (in the second period described) turned out to be only slow and modest in comparison with the other Slovene lands. While the number of cooperatives in Carniola, for example, increased from 28 in 1894 to 403 in 1910, the number of Slovene cooperatives in Carinthia rose during the same period from 16 to no more than 41, and in 1914 to 52.³⁸

Krek always paid a great deal of attention to the education of the professionals in the cooperatives. These were very important in both the leadership and work of these organizations, because in this respect the members of the agricultural cooperatives had started from scratch. Training courses were therefore held, usually several times a year, in all the Slovene lands and also in Istria and Dalmatia. The newspaper of the *Zadružna zveza*, viz. *Narodni gospodar*, also fulfilled an important educational role.³⁹ The cumulation of these activities was the founding of a cooperative school in Ljubljana. Krek's initiative in the Carniolan diet⁴⁰ was finally successful and in the fall of 1908 the first school of this type in the Monarchy, and the second in Europe after the one in Darmstadt, started classes.⁴¹

Political Influence and the Question of Autonomy

The take-over of power in the Carniolan diet by the Slovene People's Party (the name of the Catholic National Party as of 1905) certainly had positive effects also on the cooperatives, which now for the first time received support from the autonomous provincial administration; by the same token, however, it involved risk. Support brings about dependence, and Krek was always very concerned about the independence of cooperatives. When Evgen Lampe in his function as representative of the provincial committee (*Deželni zbor / Landesauschuß*) offered the good services of the province during the general assembly of the *Zadružna zveza* in May 1909, it was not for nothing that Krek called his attention to the fact that, although they appreciated this offer, still "The cooperatives cannot be brought together under one umbrella, not even the umbrella of the provincial committee."⁴²

When, however, the *Zadružna zveza* did not remain untouched by the economic crisis of 1911, the same Krek was happy to receive the unused university fund as a loan amounting to 700,000 crowns from the provincial committee. The *Zadružna zveza* in return has to accept regular auditing by the newly founded provincial cooperative office, and had to promise to restrict its future activities, "when possible," to Carniola,⁴³ which was certainly in direct opposition to Krek's wishes. Krek did not adhere to this recommendation and exploited the restrictions implicit in the phrase "when possible"—which had been included in the decree of the provincial diet at his urging⁴⁴—to further his own ends.⁴⁵ Nevertheless the provincial diet decree did affect the autonomy of the *Zadružna zveza*, as later became apparent—during the First World War—when conflict arose in the Slovene People's Party between Šušteršič's conservative wing and the progressive Krek faction. Lampe used the decree to exert pressure on the *Zadružna zveza*: the provincial committee, which was dominated by the Šušteršič wing, withdrew the university fund loan from the *Zadružna zveza* because the latter had not heeded the provincial diet's decree. The federation was however fortunate enough to be able to have the loan immediately re-extended and was thus able to preserve its independence.⁴⁶ Its sphere of influence went far beyond the borders of the province of Carniola.

The question of autonomy was closely connected with the position of the cooperatives in the money market. Starting in 1908 Krek strove for many years to secure the concession for a cooperative bank.⁴⁷ "We must be careful," he said during the general assembly of the federation in 1910, "that the cooperatives do not fall into the hands of the capitalist banks. It is therefore vital that we make the cooperatives independent by means of a modern banking system."⁴⁸ The articles for a cooperative bank were finalized⁴⁹ but the project could not materialize during the Hapsburg Monarchy.⁵⁰ The founding of the bank did not occur until 1920.⁵¹

In October 1913 the *Zadružna zveza* ceased activities in Dalmatia, following an agreement made with the *Zadružni savez u Splitu* (which had been founded in 1907). The cooperatives of the *Zadružna zveza* in Dalmatia, with the exception of four, joined the Split federation, but only half-heartedly.⁵² Subsequently, however, the two federations enjoyed a good working relationship.⁵³

Contrary to widespread fears, World War I did not mean a set-back for the cooperatives. The farmers were able to sell their produce very successfully and many of them succeeded in settling their extensive debts.⁵⁴ The satisfactory material state of the farmers was reflected in the balance sheet of the *Zadružna zveza*. Economically speaking, further development occurred, but the federation was negatively affected by politics. The split in the *Slovene People's Party* led to a division within the *Zadružna zveza*. In Carniola, 129

cooperatives led by Evgen Lampe founded their own *Zadružna centrala* in the spring of 1917; but in 1919 they already had to re-join the *Zadružna zveza* following the collapse of their federation.⁵⁵

Cooperatives and the Capitalistic Market

The idea of a proponent of cooperativism such as Krek reforming the social order along cooperative principles—for not only Catholic social reformers, but figures such as Eduard Bernstein propagated ideas of this kind—soon proved to be utopian, as mentioned above: cooperativism had to accommodate itself to the capitalistic market, not the reverse!⁵⁶ Krek, however, with his mature cooperative programme was able to make a significant contribution toward strengthening the Slovene peasantry, which was being particularly threatened by the agrarian crisis, due to its structure of farmers with small and medium-sized farms. The closely woven credit organization based on Raiffeisen savings and loan associations was able to virtually eliminate usury and hence also economic liberalism in the villages. Cooperativism, the “Archimedean point of Slovene liberalism” as the historian Dragotin Lončar once called it,⁵⁷ also contributed much toward improved agricultural methods, thanks to its training courses. During the last decade before the First War, in addition to the credit unions, which remained the most important, the various agricultural cooperatives—especially the dairy, animal husbandry and machine cooperatives—continued their successful development (cf. also Table II⁵⁸).

TABLE II: The “Zadružna zveza” in Ljubljana 1911 (1914): type of co-operative per province

provinces	credit unions	agricultural, economic and consumers co-operatives	dairy co-operatives	animal husbandry co-operatives	agricultural machinery co-operatives	viticulture co-operatives	construction co-operatives	tradesmen's co-operatives	various co-operatives	central offices	total
Carniola	163 (163)	26 (25)	44 (35)	48 (61)	19 (27)	4 (3)	3 (3)	10 (9)	4 (3)	2 (2)	323 (332)
Styria	93 (102)	5 (7)	1 (-)	- (-)	1 (4)	- (-)	2 (2)	- (1)	3 (3)	- (-)	105 (119)
Carinthia	34 (36)	1 (1)	1 (1)	1 (5)	- (-)	- (-)	- (-)	- (-)	1 (1)	- (-)	38 (44)
Gorica	3 (2)	2 (2)	2 (2)	- (-)	- (-)	1 (1)	- (-)	- (-)	- (-)	- (-)	8 (6)
Trieste	3 (3)	3 (3)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	6 (6)
Istria	44 (48)	35 (27)	3 (2)	- (-)	- (-)	1 (1)	- (-)	- (-)	1 (1)	1 (1)	85 (80)
Dalmatia	61 (3)	7 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	9 (1)	- (-)	77 (4)
total	401 (357)	79 (65)	51 (39)	49 (66)	20 (31)	6 (5)	5 (5)	10 (10)	18 (10)	3 (3)	642 (591)

The well-organized peasantry, which was organized in *Kmečke zveze* as of 1906,⁵⁹ became the most important foundation both economically and organizationally for the Catholic Party, which was able to gain power in Carniola primarily on this basis. Despite the fact that Krek's cooperative movement up to this point had been strongly democratic, from 1908 a change occurred, at first a barely noticeable one, but thereafter becoming more and more apparent from year to year.

As we have seen, Krek had been able to neutralize the attempts of the autonomous provincial administration in Carniola to limit the independence of the cooperatives. He was not, however, able to forestall structural changes in the cooperatives themselves. Following the power takeover in Carniola more and more wealthy farmers who used to be members of the liberal party switched to the Slovene People's Party and gained influence also in the cooperative sector. In addition, the accumulation of capital in the cooperatives themselves brought about a change in the sociological structure of the villages.⁶⁰ As the subsequent split within the *Zadružna zveza* clearly shows, Krek gradually lost the leadership of the Catholic cooperatives in Carniola, but not in the other Slovene lands. These cooperatives became more dependent upon the provincial committee, which was dominated by the conservative wing of the party. During this phase the cooperatives—at least those in Carniola—gradually lost their democratic structure and, a couple of months before his death, Krek noted with a certain resignation that “Cooperativism is not for utilitarians; I didn't go to such pains for them. I hope I can save it from misfortune . . .”⁶¹

The development of cooperativism proceeded, however, in a different direction than the one Krek had hoped for—and not only in the Slovene lands. Cooperativism today, especially the cooperativism of the Raiffeisen type, has adapted to the various forms of capitalist enterprises and has of course proliferated—something that Krek always wanted to prevent.

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NOTES

1. See Dolfe Schauer, *Prva doba našega zadružništva (Od nastanka do leta 1895)* (Ljubljana: Samozaložba, 1945); Anton Kralj, “Iz zgodovine slovenskega zadružništva,” 537-41 in *Slovinci v desetletju 1918-1928* (Ljubljana: Leonova družba, 1928); Vladimir Pušenjak, “Mihael Vošnjak,” 59-68 in *Ilustrovani narodni koledar* (Celje: Zvezne tiskarne, 1908); and Toussaint Hočevar, *The Structure of the Slovenian Economy 1848-1963* (New York: Studia Slovenica, 1965) 59-67.
2. Miloš Stibler, *Zadružništvo III* (Ljubljana: Kmetijska matica, 1933) 49-50; *Gospodarska in družbena zgodovina Slovencev. Zgodovina agrarnih panog, I. Agrarno gospodarstvo* (Ljubljana: Državna založba Slovenije, 1970) 637; Kralj 540.
3. This Federation was the first South Slavic cooperative federation. For its development, see *Dvajsetletnica Zveze slovenskih posojilnic v Celju in XIII. letopis slovenskih posojilnic za leto 1902* (Celje: Samozaložba, 1903).
4. See Walter Lukan, *Zur Biographie von Janez Evangelist Krek (1865-1917)*, I-II, (Dissertation, Universität Wien, 1984); Vinko Brumen, *Srce v sredini. Življenje, delo in osebnost Janeza Evangelista Kreka* (Buenos Aires: Libro de edicion Argentina, 1968); and *Dr. Janez Ev. Krek, Izbrani spisi*, I-IV, (Ljubljana, Prevalje, Celje: Društvo dr. Janez Ev. Krek, Družba sv. Mohorja, 1923-33).
5. Mihael Moškerc, “Dr. Krek in zadružništvo,” *Narodni gospodar* (Ljubljana) 1920: 37.
6. Published in I. Sovran [= J.E. Krek], “Socijalni načrt slovenskih delavskih stanov,” 250-53 in I. Sovran, *Črne bukve kmečkoga stanu. Jedro kmečkoga vprašanja* (Ljubljana: Samozaložba, 1895).
7. “Money has undone everything, therefore the organization must begin with money,” as Krek stated elsewhere; see J. Basaj, “Ob 60-letnici rojstva dr. Kreka,” *Narodni gospodar* 1925: 178.
8. Ferdo Gestrin & Vasilij Melik, *Slovenska zgodovina od konca osemnajstega stoletja do 1918* (Ljubljana: Državna založba, 1966) 242.
9. Schauer 119. The number in each individual crown-land was: Carniola 28, Styria 27, Carinthia 16, Littoral 10.

10. Anton Kralj, "Ob 30-letnici Zadrुžne zveze v Ljubljani," *Narodni gospodar* 1930: 7.
11. Josef Gruden, *Das soziale Wirken der katholischen Kirche in der Diözese Laibach (Herzogtum Krain)*, (Laibach: Katholische Buchdruckerei, 1906) 89.
12. He used this slogan in his speech in Tri Fare on September 2, 1894 (see *Slovenec* (Ljubljana) 111 (1894)) and again during the Ljubljana meeting of the Slovene economic cooperatives, called by him, on April 6, 1899 (*Slovenec* 84 (1899)).
13. See, e.g., his "Raiffeisenove posojilnice," *Slovenec* 1 (1895).
14. Franc Jaklič, "Prispevki k zgodovini našega zadrुžništva," *Narodni gospodar* 1930: 133-35.
15. *Slovenec* 288 (1895), 9 (1896). Šušteršič became president of the *Zveza* and Krek its secretary. Fran Erjavec, *Zgodovina katoliškega gibanja na Slovenskem* (Ljubljana: Prosvetna zveza, 1928) 109.
16. *Slovenec* 63, 64 (1898). Šušteršič was also the head of the *Gospodarska zveza* and Krek a committee member. It is interesting to note that Henrik Tuma, who later became a leading Slovene social democrat, was also a member.
17. The *Zveza kranjskih posojilnic* was responsible for 45 Raiffeisen savings and loans associations at the time of its dissolution and subsequent incorporation into the new *Gospodarska zveza*. The latter already numbered 126 cooperatives (76 savings associations and 50 cooperatives) with 33,864 members, *Slovenec* 164 (1900).
18. *Slovenec* 164 (1900).
19. *Slovenec* 146 (1902).
20. *Slovenec* 170 (1902). Šušteršič retained, however, the leadership of the *Ljudska posojilnica v Ljubljani*, which had been founded in 1895, and this remained his most important economic support. Krek was a committee member. *Slovenec* 194 (1895).
21. Kralj, "Iz zgodovine" 542.
22. Kralj, "Ob 30-letnici" 11.
23. *Slovenec* 186 (1903). Note that the phrase *central banking unit* is used here to render the German technical term *Zentralkasse* (Slovene *osrednja blagajna*).
24. Kralj, "Ob 30-letnici" 3.
25. Kralj, "Ob 30-letnici" 5-7. Incidentally, the brother of the Prince Bishop of Ljubljana, Josip Jeglič, was named director of this purchase and sales organization, which was a member of the *Zadrुžna zveza*. He died, however, in 1906 (*Slovenec* 118, 134 (1906)). When the *Zadrुžna zveza* ran into difficulties, Krek in addition took on the leadership of this organization on June 10, 1915 and he was able to turn it around within a short time. See *Narodni gospodar* 1917: 1-3, and Moškerc 41.
26. With regard to the history of the *Allgemeiner Verband*, whose activities ceased with the fall of the Austro-Hungarian Empire in 1918, cf. its periodical *Österreichische landwirtschaftliche Genossenschaftspresse*, which appeared from 1904-1917, and its published progress reports: *Bericht des Allgemeinen Verbandes landwirtschaftlicher Genossenschaften in Österreich über seine Tätigkeit in den Jahren 1905, 1906 und 1907* (Vienna: Eigenverlag, 1908), . . . *in den Jahren 1908 und 1909* (Vienna: Eigenverlag, 1910); and . . . *in den Jahren 1910 und 1911* (Vienna: Eigenverlag, 1912).
27. *Bericht . . . Jahren 1908 und 1909*, 67.
28. Cf. Tables VI and VII. Baron Freiherr von Stoerck, chairman of the *Allgemeiner Verband*, explained during the general assembly of the *Zadrुžna zveza* on April 2, 1913: "[This federation] is one of the most important and influential economic factors of the South. Gratitude for this goes, in addition to other factors, primarily to Krek, who with a clear mind and warm heart advanced the development of the agricultural cooperatives," *Slovenec* 74 (1913).
29. *Slovenec* 80 (1904), 146 (1905), 95 (1908); *Narodni gospodar* 1904: 97-98.
30. Ivan Tavčar, leader of the Carniolan liberals, began in 1899 a wild campaign aimed at the consumers' unions; this went as far as the provincial parliament. The provincial government subsequently held an enquiry into the agricultural cooperatives during the period 1899-1903; this valuable material has been preserved, see *Arhiv Sociološke Republike Slovenije / Deželna predsedstvo, Konvolut 51: Kmetijske zadruge*. See also Erjavec 110.
31. *Slovenski narod* 108 (1907), which contains a report on the first general assembly of the *Zveza slovenskih zadrug v Ljubljani* held May 7, 1907.
32. Sources for Table I: the published annual reports of the *Gospodarska zveza* and the *Zadrुžna zveza* (*Letopis 1901, 1902-1903, 1904-1906, 1907-1908, 1909-1912* (Ljubljana, 1902-1913); as of 1906 these figures refer not to all of the cooperatives incorporated in the *Zadrुžna zveza*, but only to those which had sent in financial statements. For more details, see V. Valenčič,

- "Razvoj zadružništva v luči letopisov Zadružne zveze," *Narodni gospodar* 1930: 14-21.
33. Kralj, "Ob 30-letnici" 7.
 34. Ivan Dolenc, "Razvoj jugoslovanske misli pri Kreku," *Čas* (Ljubljana) 1925/26: 150; also *Slovenec* 191 (1906), 146 (1907).
 35. During the general assembly of the *Zadružna zveza* in 1907, Krek stated: "Up till now our central banking unit was very active. Now we will be soon short of funds. We would actually like to provide for the neglected provinces, Dalmatia and Istria, which need a great deal of money. . ." *Slovenec* 146 (1907); see also Kralj, *Ob 30-letnici* 9.
 36. In 1905 the *Zveza slovenskih posojilnic v Celju* was reorganized and, as the *Zadružna zveza v Celju* obtained the right to conduct audits. In 1930 it joined the liberal *Zveza slovenskih zadrug v Ljubljani* that had been founded in 1907. See Ivan Mohorič, "Razvoj kreditnega zadružništva," *Veda* 3 (1913) 57, and E.J., "Kreditno zadružništvo med Slovenci," *Zadružni koledar za navadno leto 1938* (Ljubljana: J. Blasnika nasl.) 69.
 37. Kralj, "Ob 30-letnici" 8; *Narodni gospodar* 1910: 183.
 38. Cf. Jakob Sitter, *Die Anfänge des slowenischen Genossenschaftswesens in Südkärnten und deren heutigen Struktur, Einordnung und Position in der österreichischen ländlichen Genossenschaftsorganisation unter besonderer Berücksichtigung der Warenorganisation* (Linz: Diplomarbeit, 1981) 25-47; Schauer 119; Miloš Stibler, "Sedanje stanje jugoslovanskega zadružništva," *Narodni gospodar* 1919: 53.
 39. It was published from 1900 through 1945.
 40. Viz., an emergency vote on March 28, 1908, in the Carniolan provincial parliament, concerning the establishment of a two-year trade school in Ljubljana, within which a cooperative school should also be founded. See *Obravnave deželnega zbora kranjskega v Ljubljani, zasedanje od 27. marca 1908 do 29. oktobra 1910* 47 (1910) 15-17.
 41. *Slovenec* 181 (1908); *Narodni gospodar* 1913: 18; and "Ob 25-letnici zadružne šole," *Narodni gospodar* 1933: 60.
 42. *Narodni gospodar* 1909: 11.
 43. *Slovenec* 42, 46 (1911).
 44. *Narodni gospodar* 1917: 85-86; *Mir* 30 (1917); *Slovenec* 163 (1917).
 45. In connection with the decree of the provincial diet, negotiations started among the various Slovene cooperative federations, with the aim of having a single federation responsible for Carniola and for Lower Styria; these negotiations ended in failure, cf. Miloš Stibler, *Kriza v slovenskem zadružništvu* (Celje: Samozaložba, 1911) 26-32. See also Krek's wait-and-see attitude during the general assembly of the *Zadružna zveza* on June 19, 1911, cf. *Narodni gospodar* 1911: 177, *Slovenec* 143 (1911).
 46. *Narodni gospodar* 1917: 1-3, 1918: 3, and 1919: 3. See also *Slovenec* 297 (1917); M. Moškerc, "Evangelist, oče modernega zaružništva," *Naša moč* 13 (1917-18) 44.
 47. *Slovenec* 119, 121 (1909).
 48. *Slovenec* 119 (1910); see also *Narodni gospodar* 1910: 193.
 49. See *Narodna in univerzitetna knjižnica v Ljubljani. Društveni spisi*, "Pravila Zadružne banke v Ljubljani;" and *Narodni gospodar* 1909: 174.
 50. Krek briefly considered using the *Ilirska banka* (which was founded in 1915-16 by the Šušteršič group in the form of a joint-stock company) as a cooperative bank, but then had to abandon the idea because the association of the *Ilirska banka* refused to transfer most of the shares and the resulting majority on the board of directors to the *Zadružna zveza*, as Krek had demanded. See *Narodni gospodar* 1917: 25-27, 59-62; *Straža* 43 (1917); *Slovenec* 151 (1916).
 51. Kralj, "Ob 30-letnici" 11-12.
 52. Kralj, "Ob 30-letnici" 11-12.
 53. For details, see Krek's position during the general assembly of the *Zadružna zveza* on May 4, 1914, in *Slovenec* 100 1914, *Narodni gospodar* 1914: 89-90.
 54. *Narodni gospodar* 1917: 1-3, 9-12.
 55. Kralj, "Ob 30-letnici" 10, and "Iz zgodovine" 547; *Narodni gospodar* 1917: 17-21, 37-38, 85-87.
 56. Cf. Ernst Bruckmüller, *Landwirtschaftliche Organisationen und gesellschaftliche Modernisierung. Vereine, Genossenschaften und politische Mobilisierung der Landwirtschaft Österreichs vom Vormärz bis 1913* (Salzburg: Wolfgang Neugebauer, 1977) 147.
 57. See the review of the booklet *Ob 50-letnici dr. Janeza Ev. Kreka* (Ljubljana, 1917) in *Ljubljanski zvon* 1917: 238.

58. Sources for Table II: *Poročilo in računski zaključek Zadružne zveze v Ljubljani za XII. upravno leto 1911* (Ljubljana: Zadružna zveza, 1912) 26; *Poročilo . . . leto 1914* (Ljubljana, 1915) 20.
59. *Slovenec* 104 (1906). The founding of the first *Kmečka zveza*, in Dobrepolje, followed on May 6, 1906. For further developments see Erjavec 240.
60. Gestrin & Melik 281-82.
61. A remark made by Krek to Albin Prepeluh toward the end of March 1917, see Albin Prepeluh, *Pripombe k naši prevratni dobi* (Ljubljana: Založba univerzitetne tiskarne, 1938) 47.

APPENDIX: DATA ON THE GROWTH OF THE ZADRUŽNA ZVEZA

The following tables attempt to illustrate the impressive economic development of the *Zadružna zveza* in Ljubljana, based on selected parameters. The numbers speak for themselves. A few references should however be made to elucidate the dimensions. In 1910 there were 543 credit unions in the Slovene lands. 512 of those that reported their activities (404 Raiffeisen savings and loan associations and 108 Schulze-Delitzsch loan-funds) had savings of 212 million crowns at their disposal (cf. Andreas Milčinovič & Johann Krek, *Kroaten und Slowenen* (Jena: Eugen Diederichs, 1916) 79; Kralj, "Iz zgodovine" 545-46.) This amount was approximately the same as the total capital of the industrial joint-stock companies based in the Slovene lands, including Trieste (cf. *Gospodarska in družbena zgodovina* I: 639). Of these 512 credit unions, approximately 300 were organized within the Ljubljana *Zadružna zveza*. The *Zadružna zveza* had a total of 608 cooperatives under its control that year (see Table II above). In comparison, the liberal *Zveza slovenskih zadrug v Ljubljani* had at this point in time 170 member cooperatives (cf. Mohorič 160)—note its economic parameters in 1910: turnover 67,958,720 crowns; deposits 3,552,338 crowns; credits 4,075,815 crowns. Compare also the *Goriška zveza gospodarskih zadrug in društev* which had 80 in 1910 (see Milčinovič & Krek 81, *Slovenec* 183 (1910)) and 91 in 1914 (see Stibler 75). The *Zadružna zveza v Celju*, which grew out of the *Zveza slovenskih društev v Celju*, reached peak membership of 200 organizations in 1907; by 1917, however, this number had fallen to 126 (see Stibler 56). The total turnover of the *Zadružna zveza* in Ljubljana and its member cooperatives amounted to more than 500 million crowns in 1917 (cf. Table V).

The sources for data used in the tables are listed below. Note the abbreviations used in this appendix: *NG* = *Narodni gospodar*; *Sc* = *Slovenec*; *PRZ* = *Poročilo in računski zaključek za dvajseto upravno leto 1919* (Ljubljana: Zadružna zveza, 1920). For *Letopis*, see note 32 above; for Stibler, "Sedanje stanje," see note 38; for *Bericht des allgemeinen Verbandes*, . . . see note 26.

TABLE III sources: 1906—*NG* 1907: 12, *Sc* 1907: 146; 1907—*Sc* 1908: 95; 1908—*NG* 1909: 11, *Sc* 1909: 119; 1909—*NG* 1910: 11, *Sc* 1910: 119; 1910—*NG* 1911: 12, *Sc* 1911: 143; 1911—*NG* 1912: 7, *Sc* 1912: 84; 1912—*NG* 1913: 7; *Sc* 1913: 74; 1913—*NG* 1914: 9, *Sc* 1914: 100; 1914—*NG* 1915: 6, *Sc* 1915: 59. The total number fell in 1915 to 585, and remained unchanged in 1916 (*Sc* 1917: 2, 297; *NG* 1918: 1-2); in 1917, due to the split, it sank to 556, and in 1918 further to 462; cf. Stibler, "Sedanje stanje" 74, *PRZ* 19.

TABLE IV sources: 1903—*Sc* 1904: 80; 1904—*Sc* 1905: 146; 1905—*Sc* 1907: 146; *NG* 1907: 12. For the years 1906 through 1918, see the corresponding data in TABLE II; for the years 1904-1906, see also the corresponding *Letopis* and further *PRZ* 30. Note that column three refers to deposits of the cooperatives with the *Zadružna zveza*, and column four refers to deposits of the *Zadružna zveza* with the cooperatives.

TABLE V sources: *Letopis* 1904-1906, xix; see also V. Pušenjak, "Zadružništvo," *Duhovni pastir, Društveni govornik* 3 (1910) 139. Note that totals in this table are expressed in millions of crowns, rounded up.

TABLE VI sources: Tabulated compilations in *Bericht des allgemeinen Verbandes*. . . ; again, totals are expressed in millions of crowns, rounded up.

TABLE VII source: *Bericht des allgemeinen Verbandes*. . . (1908) 30.

TABLE III: The "Zadružna zveza" in Ljubljana 1906 - 1914: number of member co-operatives per province.

Year Prov- inces	1906	1907	1908	1909	1910	1911	1912	1913	1914
Carniola	201	228	262	270	300	323	335	337	332
Styria	25	49	80	89	102	105	112	116	119
Carinthia	3	4	5	18	33	38	45	45	44
Girica	9	11	10	10	12	8	7	7	6
Trieste	8	9	10	8	6	6	6	6	6
Istria	68	79	82	83	85	85	79	79	80
Dalmatia	27	53	67	65	70	77	84	92	4
total	341	433	516	543	608	642	668	682	591

TABLE IV: The "Zadružna zveza" in Ljubljana 1900 - 1918: economic parameters (in crowns)

year	turnover	deposits	credits	shares	net profit	losses	reserves
1900	5,167.557	151.324	146.173	51.997	---	10.547	---
1901	7,692.968	35.139	39.688	68.030	---	20.009	---
1902	8,430.743	70.520	91.475	76.460	---	23.592	---
1903	20,760.377	2,525.935	2,429.955	84.456	---	34.401	---
1904	26,667.833	4,357.894	4,366.102	90.958	---	25.254	---
1905	32,035.099	5,498.802	5,223.478	117.356	---	23.971	---
1906	43,733.941	6,922.697	6,857.789	159.016	---	4.392	---
1907	52,657.673	9,183.036	9,031.660	197.740	11.265	---	---
1908	93,505.328	11,186.460	10,536.243	239.060	41.312	---	11.265
1909	105,500.992	11,962.691	12,487.562	280.830	6.840	---	35.000
1910	116,247.163	13,861.831	12,780.712	329.574	68.594	---	41.840
1911	102,125.575	14,106.156	12,604.335	362.860	38.026	---	110.434
1912	99,344.702	10,452.833	12,759.270	392.130	36.510	---	148.460
1913	98,022.359	11,547.632	12,820.296	398.430	41.526	---	184.970
1914	79,544.415	15,418.777	12,804.126	408.310	---	19.345	226.496
1915	159,331.418	25,707.463	12,042.050	410.200	7.025	---	207.151
1916	373,203.236	54,135.750	17,055.871	366.360	---	16.538	214.176
1917	396,839.894	52,767.614	23,175.479	364.580	33.532	---	197.638
1918	525,893.000	114,223.866	18,495.434	365.610	35.658	---	231.169

TABLE V: Total Turnover of the "Zadružna zveža" in Ljubljana and member co-operatives 1904, 1906, 1910.

year	Co-operative Federation	credit unions	economic co-operatives	dairy co-operatives	total
1904	26.5	95.0	19.5	1.0	142.0
1906	43.5	130.0	16.5	2.0	192.0
1910	116.0	360.0	43.0	5.0	524.0

TABLE VI: Several parameters of selected co-operative federations incorporated in the Allgemeiner Verband landwirtschaftlicher Genossenschaften in Österreich

Name of Federation	Total number of co-operatives/ of which Raiffeisen Savings and Loan Associations				Economic Data of the Federations (Central Banking Unit)												
	1900	1903	1907	1910	Co-operative deposits with the Central Banking Units				Credits from the Central Banking Units to the Co-operatives				Total turnover of the Central Banking Units				
	1900	1903	1907	1910	1900	1903	1907	1908	1900	1903	1907	1908	1900	1903	1907	1908	
Zadružna zveža v Ljubljani	90	181	433	608													
	58	113	242	346	0,2	2,5	9,2	11,2	0,1	2,4	9,0	10,5	5,2	20,8	52,7	93,5	
Zadružna zveža v Celju	-	-	200	135			1,9	2,5	-	-	1,8	2,5	-	-	15,0	15,3	
Gošska zveža gospodarskih zadruženj in društev	-	-	32	80			0,3	0,6	-	-	0,2	0,3	-	-	0,7	4,0	
Landesverband der landwirtschaftlichen Genossenschaften in Kärnten	-	79	99	113													
	-	71	91	100		0,6	2,1	2,2	-	0,3	0,3	0,4	-	18,5	6,1	4,2	
Verband der landwirtschaftlichen Genossenschaften in Steiermark	-	236	320	354													
	-	200	261	277		2,3	7,0	8,8	-	1,4	2,6	2,9	-	17,4	33,7	37,2	
Niederösterreichische Genossenschaftszentralkasse	527	610	703	758													
	472	520	534	545	9,4	15,9	32,7	36,2	4,8	8,2	9,4	8,5	26,4	76,9	154,1	172,2	
Zentralkasse der Raiffeisenvereine Deutschlands	119	262	272	304													
	119	223	262	277	1,8	4,0	10,6	11,5	0,2	0,2	1,3	1,6	9,2	15,5	32,9	34,2	
Zentralverband der deutschen landwirtschaftlichen Genossenschaften Böhmens	367	531	706	774													
	350	468	582	637	3,3	8,8	18,9	21,6	2,5	6,6	8,1	8,2	32,0	61,8	82,0	121,7	
Ústřední jednotna českých hospodářských společenství v království Českém	404	805	1419	1898													
	401	732	1143	1518	1,2	5,9	17,6	22,6	0,8	3,4	10,0	11,2	11,1	51,6	139,1	196,7	
Spuz ruských chiborobských spolků na Bukovyně "Wselanska Kassa"	-	61	147	197													
	-	61	137	168			0,1	-	-	0,1	2,6	3,7	-	0,3	35,7	16,2	
Centrala insolinilor române din Bucovina	-	-	150	173													
	-	-	143	164			0,4	0,9	-	-	2,5	2,8	-	-	25,0	32,0	
Federazione dei consorzi agricoli del Friuli	-	-	32	96													
	-	-	27	34			1,2	0,1	-	-	1,0	0,1	-	-	2,8	0,3	
Zadružni savez u Splitu	-	-	61	181													
	-	-	47	99			0,8	1,4	-	-	0,8	1,7	-	-	2,0	6,2	

TABLE VII: Agricultural Co-operatives in Austria by ethnic group, as of end 1907

ethnic group	Allgemeiner Verband member co-operatives	non-member co-operatives	total
1. German	2959	318	3277
2. Czech	1493	666	2166
3. Polish	69	746	822
4. Slovenian	552	11	563
5. Italian	111	379	495
6. Croatian	187	19	206
7. Ruthenian	169	7	176
8. Rumanian	128	-	128
9. Serbian	1	17	18
total	5669	2163	7802

POVZETEK

DRUGA FAZA SLOVENSKEGA ZADRUŽNIŠTVA

Prva doba slovenskega združništva, ki obsega čas od sedemdesetih let 19. stoletja približno do leta 1894, je zaznamovana s kreditnimi zadrugami tipa Schulze-Delitzsch, ki jih je začel ustanavljati Mihael Vošnjak. Te zadruge so imele nalogo zbirati domači, predvsem meščanski kapital in tako ustvariti gospodarsko podlago za slovensko nacionalno gibanje. Skrb za kmeta, ki je nujno potreboval ugodni kredit, ni stala v ospredju. Odločilni korak pri lajšanju težkega vprašanja agrarnega kredita je pomenila šele druga faza slovenskega združništva, ki je prinesla resnično kmečko sampoč in je bila ozko povezana z delom pomembnega slovenskega socialnega reformatorja in narodnega voditelja Janeza Evangelista Kreka. Od sredine devetdesetih let naprej nastane predvsem po njegovi zaslugi po celem slovenskem ozemlju široka mreža kreditnih zadrug Raiffeisenovega tipa ter tudi drugih kmečkih zadrug, ki so bile povezane v Zadrugni zvezi v Ljubljani, v gospodarski hrbtenici slovenskega katoliškega tabora. Zadrugna zveza je raztegnila organizacijo tudi na Dalmacijo, tako da je njen predsednik Krek lahko govoril o "jugoslovanskem gospodarskem parlamentu."

Krekova ideja preosnovati družbo preko združništva, ki naj bi nekako preraslo kapitalizem, se je sicer kaj kmalu izkazala kot utopija, vendar je Kreku uspelo v teku nekaj let s kreditnimi zadrugami

uničiti predvsem na Kranjskem in na Primorskem cvetoče oderuštvo in s tem prispevati k relativni stabilizaciji slovenskega kmetijstva, ki je bilo vsled malo- in srednjeposestniške strukture posebno ogroženo od takratne gospodarske krize. Krekovo združništvo je pa pospešilo tudi umno gospodarjenje in mnogo pripomoglo k modernizaciji kmetijstva. Prvotno izrazito demokratično urejena združna organizacija se je proti koncu Krekovega delovanja začela polagoma strukturalno spreminjati, kar je nenazadnje povzročila akumulacija kapitala v zadrugah samih in v njihovi centrali, Združni zvezi. Ta razvoj - značilen za združništvo Raiffeisenovega tipa ne samo na Slovenskem - je potem v dobi med obema vojnama približeval kreditno združništvo drugim oblikam kapitalnih družb.