THE CITIZEN PRODUCER: THE RISE AND FALL OF WORKING-CLASS COOPERATIVES IN THE UNITED STATES

Steve Leikin

from

(Rowman and Littlefield, 1999).
In the long-running debate over the exceptionalism of the American working class historians and social scientists have asked why the United States, unlike its European counterparts, failed to develop a large Socialist movement or working-class party. Rarely in this debate have scholars compared the role of cooperation in the evolution of working-class movements in the United States and Europe. Yet in the countries taken as models of working-class activism—Britain, Germany, Belgium, and Scandinavia—cooperatives were critical to the success of Socialist and working-class movements. Indeed, cooperative movements were sometimes larger than unions or parties and often provided vital support to these institutions.

In the United States, according to recent scholarship, a labor movement similarly inclined towards cooperation emerged in the immediate post-Civil War years. Organized as the Knights of Labor this movement was a broadly-based collection of trade and labor unions as well as cooperatives. In both the European movements and the Knights of Labor, producers’ cooperatives were initially as important if not more important than consumer cooperatives. While European activists gradually neglected producers’ cooperatives when capital costs proved too daunting and then turned towards consumer organizing, the American labor movement lost

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its enthusiasm for cooperation as a broad strategy for change after the Knights of Labor failed in
the late 1880s. When the labor movement reorganized as the American Federation of Labor it
specifically rejected labor reform of this kind. Thus, in order to understand fully the unique
trajectory of the American labor movement, it is crucial to examine the role of both producers
and consumers cooperation in its development. Such an examination will also help explain why
the American consumer cooperative movement which grew up later in the Progressive era was
quite different than its European counterparts in having few ties to organized labor.

The involvement of American workers in cooperative production and consumption has
long remained an under examined area of American labor history. Yet over the course of the
nineteenth century wage-earning men and women established thousands of cooperative stores,
workshops and factories in the United States. For nearly sixty years trade unionists and short-
hour advocates spoke of cooperation as an essential element of labor reform. Indeed,
cooperation rested at the heart of the labor movements social vision and under the auspices of
trade unions, city-wide trade assemblies and, in its most advanced form, the Knights of Labor,
the cooperative became a working-class tool and model for a more just economy.²

What did this movement, dismissed by historians as backward and hopelessly utopian,
mean to American workers? Unlike the early nineteenth century utopian socialists who
developed detailed plans of social reconstruction, cooperators often began their enterprises with
only a vague formula for self-help and a nebulous vision of workplace democracy.³

²This article is adapted from, Steve Leikin, "The Practical Utopians: Cooperation and the
American Labor Movement, 1860-1890," (Ph.D. dissertation, University of California, Berkeley,
1992.)

³For surveys of communitarian experiments in the nineteenth century United States see
Paradoxically, it is in this vagueness that the meaning of cooperation can be discerned. Within a loosely defined concept of worker ownership labor reformers created a variety of competing visions of a more just economy. In fact, skilled trade unionists, less skilled laborers, and women workers constructed their own definitions of fraternity, mutuality and democracy under the rubric of cooperation. This form of self-help was part of a larger struggle among wage earners to assess their democratic experience, ascertain how they would exercise their rights in the economic world and determine who among them would function as the legitimate laborers and citizens in American society.

This article will examine the ideals of nineteenth century cooperators and the rise of cooperative labor reform from the 1830s to the decline of the Knights of Labor. By comparing two local case studies of successful cooperative movements, as well as drawing on some significant examples from other locales, this article will show how cooperative production and consumption provided workers with a means to stabilize their communities and build the labor movement. It will also suggest the reasons for cooperation’s failure in the late 1880s and its impact on the labor movement and future cooperative efforts.

IDEALS AND ORIGINS:

Most organized workers in nineteenth century America considered cooperation to be an
appropriate and practical alternative to what they called "competitive capitalism". They deemed it appropriate because it emerged from the very familiar milieu of the skilled laborer. Fused within the cooperative ideal were the craftsman's panoply of beliefs and practices including the labor theory of value, the pride and manly independence of craft work, and the skilled workers' commitment to the collective responsibility of trade unionism. Cooperation provided a skilled worker with the ready means not only to implement his craft ethos but to resolve the dilemmas of shop floor conflict by furnishing steady employment and providing reasonably priced goods.4

Moreover, the practicality of cooperation seemed self-evident. Not only could retail businesses and many trades still be entered into with relatively small investments of capital and compete with "privately" owned firms,5 but a postmillenialist tendency among labor reformers predisposed them to a belief in the efficacy of their own reform measures. The world, they surmised, could be changed with relative ease and the success of cooperation depended merely upon the participants' willingness to sacrifice the necessary funds, time and energy. Labor reformers believed that their own will would make or break their efforts to control the market economy. If they failed, they had no one to blame but themselves.6

4For a general discussion of the origins of cooperative ideals see Leikin, chapters 1 and 3.
Cooperation also appealed to the ideals of independence and virtue deeply rooted in the political psyche of the American worker, a complex of ideals which historians have called working-class republicanism. A leading spokesman for cooperation, John Samuel, expressed this well when he contended in the 1860s that:

The principles of Co-operation are more in harmony with the principles of our form of government than our present social system. Our social system in many things is at variance with our political institutions. The relation of Employer & Employed is not the normal condition of Freemen. Superiority & Inferiority is implied in the relation. . . . Co-operation supersedes this relation and places men just where the Declaration of Independence was designed to place them--equal--& with equal rights to liberty & the pursuit of happiness.7

In a cooperative a member was freed from the strictures of "wage slavery" and could stand as an independent citizen. He could, in theory, determine his own wages and hence receive the full value of his labor. In a democratically run cooperative the participant created a republic in miniature where no member, with his vote and his stake in the enterprise, could be forced to suffer the economic or political influence of another.8

7 John Samuel, Untitled Cooperative Address, circa 1866, John Samuel Papers, Reel 3, Microfilm edition, Wisconsin State Historical Society.

The ideals of working-class republicanism, however, posed a number of problems for cooperators. First, these ideals did not provide a plan nor define to any meaningful degree how cooperatives should be organized. Workers established their businesses without a blueprint to negotiate the demands of the marketplace. When difficult questions arose concerning the legitimacy of profits, the role of unions, the privileges of skilled labor, and the desirability of market competition, cooperators experimented and at times fought among themselves. Second, the ideals of working-class republicanism, as other historians have noted, coexisted with the hierarchies of gender and skill. These inequalities contradicted the ostensibly democratic ethos of cooperation and women and less-skilled workers challenged male cooperators to expand their notions of citizenship and independence. If cooperatives were to succeed, or the ideals of working-class republicanism assume concrete form, these issues would have to be resolved.

During the 1830s cooperation first appeared, according to historian Bruce Laurie, as "a major tactical departure" for the fledgling labor movement. Anticipating an endless battle with employers over wages and working conditions, the National Trades' Union of 1836 recommended cooperation as a permanent solution to strikes, speculation, and the dilution of craft skills. In 1845 another group of reform minded mechanics established the Working Men's Protective Union in Boston, a network of cooperatively owned stores and buying clubs. Two years later wage earners had organized 40 Protective Union associations in the industrial areas of Vermont, Maine, New Hampshire and eastern Massachusetts. By the late 1850s thousands of members from communities scattered through New England, New York and Canada sold basic

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provisions and groceries in over 800 Union "divisions."\(^{10}\)

In addition to these efforts, a small number of skilled workers established cooperative factories and workshops during the 1840s and 1850s. Cordwainers in Lynn, Pittsburgh and New York City; molders in Ohio, Pennsylvania and West Virginia; tailors in Boston; and bakers, shirt sewers, and hat finishers in New York City set up workshops. Wilhelm Weitling and the cooperative movement in Germany inspired German tailors and cabinet makers in New York City to do the same.\(^{11}\)

The movement of the 1830s, the Protective Unions and the scattered efforts of craftsmen did not survive the economic and political turmoil of the ante-bellum years. The Panic of 1837 drained the resources and the will of the first American labor movement and destroyed its cooperative experiments. Later the Protective Unions fell victim to internal discord, competition from other retail establishments and the disruption of the Civil War. The fledgling efforts of craftsmen to produce cooperatively also collapsed from economic decline and wartime


\(^{11}\)Horner, pp. 26-30; Norman Ware, *The Industrial Worker*, p. 194; Sean Wilentz, pp. 366-369.
disorder.\(^{12}\)

The ideals of cooperation, however, continued to resonate with American workers as the labor movement reemerged in the 1860s. Cooperation, in fact, captured the imagination of post-war labor leaders. When a group of English immigrants established an insignificant storefront enterprise in Philadelphia, the Union Cooperative Association No. 1, they attracted as members such leading notables in the labor movement as William Sylvis, President of the Iron Molders' Union, Jonathan Fincher, the labor reform newspaper editor, and John Samuel, union activist, cooperator and future Knights of Labor executive. The Union Cooperative Association, one of the first Rochdale cooperatives in America, was just the kind of working-class institution these men hoped would become commonplace among their constituencies.\(^{13}\)

Knowledge of the Rochdale method spread among organized workers and by 1863 cooperation in this new and more practical form emerged as a force in the American labor

\(^{12}\)Laurie, pp. 89-91; Horner, p. 22, 29-30; Rozwenc, pp. 98-104.

movement. Under the Rochdale system a cooperative store would sell its shares to a member but allow the stockholder only one vote regardless of the number of shares held. The shares would entitle him or her to a fixed dividend of no more than five percent on the investment. Stores sold all goods for cash at market prices with the profits returned to members in proportion to their purchases. John Samuel estimated that 100 cooperative stores, many operating under Rochdale principles, opened for business during the decade of the Civil War. In the 1870s, the Sovereigns of Industry, a reform organization advocating the establishment of cooperative stores and factories, adopted the Rochdale system and its 280 local councils in New England and 170 in the Middle and Central states each had a purchasing club or store. A decade later the Knights of Labor supplanted the Sovereigns and operated an unknown number of consumer cooperatives possibly totaling in the thousands.

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The wage earners who promoted Rochdale stores were in most cases the same workers who championed producer cooperatives and they often advanced retail stores as a means to accumulate capital for production. In the two decades following the Civil War they came largely from the ranks of shoeworkers, molders, miners, carpenters, machinists, clothing workers, cigar makers and printers. Between 1866 and 1876 shoeworkers operated at least 40 factories and molders at least 36 foundries. Both trades established cooperative stores. In addition, bakers, coach-makers, collar-makers, shipwrights, nailers, ship-carpenters and caulkers, glassblowers, hatters, boiler-makers, plumbers, and iron-rollers organized cooperative workshops. A total of at least 500 cooperative workshops and factories opened for business in the twenty-five years following the Civil War. Two hundred and ninety of these producer establishments commenced business between 1884 and 1888.


17See Leikin, chapter 2.

18Scattered evidence suggests that the Machinists and Blacksmiths and the Carpenters and Joiners unions were the most active in establishing cooperative stores in the mid-1860s; see *Fincher's Trades' Review*, 23 January 1864, 16 April 1864, 14 January 1865, 18 February 1865, 29 April 1865, 24 February 1866; When trades' assemblies organized stores a wide range of unions participated, see *Fincher's Trades' Review*, 26 November 1864 on Cincinnati. According to the statistics provided by Clare Horner, pp. 229-242, the trades most active in cooperative
Despite the support of important leaders in the labor movement, national and regional trade unions launched very few cooperative enterprises. In large part this reflected the realities of working-class life. The world of the nineteenth century worker was centered in the local community and cooperatives took their form and substance from the experience of workers in their locales. The ideological significance and meaning of cooperation would emerge from workers assembling their own institutions within their own social and economic milieus.

The men and women who built cooperatives were reconstructing their communities along new lines. They had, however, no uniform vision of the good life nor of the proper parameters of their own power and authority. They held up a democratic ideal originating in the craftsman's republican ethos but one that also concealed the divisive hierarchies of gender and skill. How they would reconcile this divisiveness with cooperation's democratic promise was the product of their day to day decisions within the context of their community life.

THE COOPERATIVE SHOEWORKERS OF STONEHAM:

In one small shoe manufacturing city, Stoneham, Massachusetts, shoeworkers built a variety of successful cooperative institutions in the post-Civil War years. These men and women were convinced they had accomplished something unique, and one resident later described Stoneham as "...the only place in the world where co-operation has succeeded...." They had, in industries between 1865 and 1875 were (from most to least active) shoe making, iron molding, clothing manufacturing, machine shops, cigar making and printing; John Commons, *History of Labour in the United States*, Vol 1, p. 111; Joseph G. Knapp, *The Rise of American Cooperative Enterprise*, p. 32; *American Workman*, 2 October 1869, p. 5; Leikin, chapter 2.

fact, over the course of fifteen years established two cooperative stores, four steam-powered shoe factories, and a stitching workshop.\textsuperscript{20} At their moment of greatest success in 1885, fifteen percent of the 1228 shoe workers of Stoneham worked in co-operative shoe factories.\textsuperscript{21}

These cooperators also formed a vital segment of the city's population. They were well organized initially in both branches of the shoeworkers' union, the Knights and Daughters of St. Crispin, active in reform party politics and a force of some significance in the city. Their names appeared on the roles of local churches, voluntary associations such as the Grand Army of the Republic, the International Organization of Odd Fellows, fire departments, and temperance societies, as well as labor reform organizations, the Democratic and Republican parties, and trade unions. They functioned alongside an often sympathetic middle class as their names surfaced in the transcripts of town meetings and as they filled, or ran for almost all of Stoneham's offices. Four were sent to the Massachusetts General Court to represent Middlesex County and many others participated in their election. When conflict arose in the workplaces of Stoneham they took leading positions in the formation of strike committees or offered relief to strikers. In the 1880s they joined with the Knights of Labor in large numbers and avidly pursued third party politics.\textsuperscript{22}

Well ensconced in the institutions that defined the city, the men who established the first cooperatives in 1873 had a set of interests that marked them off as particularly concerned with

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\item A group of approximately 50 curriers organized a cooperative currying company in 1886 and sold subscriptions to stock totaling $10,000.00. No evidence exits of the company actually opening for business. \textit{Stoneham Independent}, 31 July 1886.
\item Leikin, chapter 5.
\item Ibid.
\end{enumerate}
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community institutions. They were older, more often married and more frequently the heads of households with children than other shoeworkers, and many had been geographically mobile before they settled into the city. These workers sought stability for themselves and their families as they labored in an industry subject to ongoing technological change and an economy characterized by severe cyclical fluctuations.23

The cooperators of Stoneham achieved this stability for a time as they ran their shops all year around, paid themselves relatively high wages and purchased property. They were remarkably successful in fulfilling cooperation's principle commitment to pay workers the full value of their product. Indeed, other shoeworkers used the wages paid in these factories as a measure of what their employers were capable of paying. The cooperators also created within their factories a relaxed environment and exercised little discipline on the shop floor. As the architects of their own workplace they were not in the business to discipline, punish or deprive themselves of work.24

In addition, the cooperators established through and around their places of work a rather close knit social world undivided, in all but one instance, by ethnic differences. It was possible to find cooperators, after a day's work, serving dinner in their shop with the co-operators from

23Ibid.; This analysis is based in part on data found on 47 members of the Stoneham Cooperative Boot and Shoe Company [there were approximately 60 members in all.] The data come from the federal census from Middlesex County 1870 and 1880, the Valuation of the Town of Stoneham and State, County, and Town Tax, from 1867 to 1889; and information gathered from the Stoneham Amateur and Stoneham Independent and "Records of the Stoneham Cooperative Shoe Company, from 1872-1889," Stoneham Historical Society.

other shops in attendance. On weekends they might go on outings and in the evenings stage musical entertainments. When baseball fever surged through the city, co-operators formed teams and competed against one another. The integrity of the working-class community was reinforced by the relationships these shoeworkers formed in and around their own shops.²⁵

As a consequence of their community activities the cooperators reached for a familiar organizational model to structure their own institutions. When shoeworkers established Stoneham's first co-operative factory in 1873 they organized themselves as they had in voluntary associations and town meetings, first by electing their officers through popular vote. The co-operators then mimicked the procedure of the city's town meetings with a nearly obsessive concern with democratic process. So meticulously did they observe democratic procedures that it was not unusual to find shareholders voting in order to vote on whether or not a vote should proceed, all to approve some minor action of the board of directors.²⁶

These cooperators created a new community based on their own democratically organized enterprises deeply rooted in their craft and trade union traditions, democratic values and local experience. Their efforts, however, had very real limitations. All of the cooperatives hired non-member and often less skilled workers as employees and paid them a wage. These


workers, unlike their employers, would never have an equal say in how the factories should function. In one cooperative non-native-born Americans were unwelcome as members. The same factory's directors readily abandoned their commitment to the labor movement when such a commitment threatened the profits of their enterprise. In 1885 they precipitated a strike among their own member and non-member workers by defying a demand of the Knights of Labor to distribute wages on a weekly rather than monthly basis. In all the cooperative shoe factories women, even as shareholding members, were restricted to the stitching rooms, a position long established by the sexual division of labor in the industry.27

Cooperation was an expression, in other words, of the male skilled worker's democratic ideals as well as his hierarchical and exclusionary impulses. Indeed, cooperators sought to stabilize the workplace, community and the family by preserving the skilled male worker as the primary family breadwinner. Male cooperators apparently believed that through their store, advertised in Stoneham as the "family peacemaker," and the cooperative factory they could earn a wage sufficient to accomplish this end.28

Yet the democratic and participatory nature of cooperative life could not be so easily contained. In 1873 the local assembly of the Daughters of St. Crispin had enthusiastically supported Stoneham's first cooperative shoe factory and donated a wax thread machine to the cause.29 By the mid 1880s, however, a number of women workers who had purchased shares in

27Leikin, chapter 5.
28Stoneham Directory 1886, p.151.
29"Records of the Stoneham Co-operative Boot and Shoe Company," pp. 1, 18, 39; Coons, p. 91.
Stoneham's cooperatives formulated their own vision of cooperative democracy. They used their position as stockholders to demand equal treatment and to expand their control in the workshop. In 1886, the agent of one shoe cooperative in Stoneham complained bitterly of female stockholders in the stitching room:

They are carried away, he said, by the idea that as stockholders they should be permitted to do as they please; and they are too independent. In the stitching room it is desirable, to economize machinery, to have stitchers change off, doing one kind of work a part of the day, and something else at other times. It they are stockholders young women object.

To the dismay of this foreman, working women in the stitching room acted like skilled workingmen and refused to allow a supervisor to direct and speed up their labor. These women forcibly widened the parameters of cooperation to include themselves. In fact, several Stoneham women, all members of the Knights of Labor, had already opened a cooperative stitching shop which they ran on their own.

This tendency among women in Stoneham to fashion cooperation to meet their own needs was evident in the Knights' national organization as well as in other local assemblies. The national spokesperson for women in the Knights of Labor, Leonora Barry, regarded cooperation as particularly useful. In her report to the General Assembly in 1887 she recommended that the Order "turn [its] whole undivided attention to the forming of productive and distributive co-operative enterprises," in order to alleviate the most egregious conditions under which women

31Ibid., p. 229; Also quoted in Coons, p. 93.  
worked. In a number of cities including Chicago, Indianapolis, and St. Louis, women clothing workers established cooperatives under the aegis of the Knights. In two of these cooperatives female members made a special point of placing women on their boards of directors and inserting in their constitutions, with no small symbolic import, "she" instead of the standard "he".\(^{34}\)

More significantly, as women entered the labor movement in greater numbers activists recast the gendered basis of the cooperative vision. Rather than basing their ideals on what they considered the coercive manly values of independent skilled labor, some influential labor reformers located cooperative principles in what they considered the "feminine" virtues of mutual aid and voluntarism. Cooperators confronted with the needs of a diverse constituency redefined their ideals in more inclusive terms. Mutual aid voluntarily exercised appealed directly to a much broader cross section of workers than the "manly independence" of craft work.\(^{35}\)

The gendered distinction between coercive and voluntaristic cooperation was raised most tellingly during the Knights' national debate over a large scale plan for social reconstruction introduced in 1884 by Henry Sharpe, secretary of the Knights' cooperative board. He proposed the establishment of a "Cooperative Guild," a vast bureaucratic organization that would parallel


\(^{35}\)Leikin, chapter 3.
the Knights' national structure and manage a network of cooperative stores and factories. The Guild, supported by a compulsory tax on all members, would ultimately supplant the market economy with its own structure for buying, selling and producing goods controlled within the Knights hierarchy. Advocates of feminine voluntarism denounced the coercive and manly elements of the Guild, i.e., the tax that supported it and its centralized structure. The membership defeated the proposal. The majority of Knights were unwilling to hand over to some powerful bureaucracy the very local control that made cooperation attractive.36

Meanwhile members of the Knights of Labor recognized the possibility for some form of systematic cooperation. Given the potential purchasing power of the organization’s membership, activists appealed to fellow Knights to assist one another by purchasing shares in cooperative businesses and buying cooperatively produced goods. This appeared in a small way in Belleville, Illinois, where miners established a cooperative coal mine, in part, by selling shares to members in nearby St. Louis. The St. Louis Knights then opened a cooperative coal yard of their own to sell the coal. The Knights of Raleigh, North Carolina raised the necessary capital to establish a cooperative tobacco company by selling one dollar shares to over one thousand local assemblies in the Order. They had promised to deposit a fixed percentage of the profits into the Knights' central cooperative fund. In New York, District Assembly 49 setup a network of cooperatives by selling shares that accrued no interest at all. Shareholders might have expected employment in one of their enterprises but received nothing directly from their investment.37

The cooperators of Stoneham participated in this national debate and recognized the need

36Ibid., chapters 3 and 4.
37Ibid., chapter 4.
for mutual aid as they struggled to survive in a competitive and turbulent market. In fact, by the mid-1880s when market changes adversely affected the shoe industry, they turned to the national Knights of Labor for help. The city's delegate to the Knights' 1886 General Assembly, John Best, sat on the Committee of Cooperation and voted to implement a central tax to fund local cooperatives. The General Assembly decided to allocate $40,000 annually for cooperation but failed to implement the plan as the national organization rapidly deteriorated.\footnote{Ibid., chapters 4 and 5.}

The collapse of the Knights of Labor over the next few years left Stoneham’s cooperators on their own. Now they had only their experience of community, the complex interactions of workers and worker-businessmen, shopkeepers, professionals and small and large employers, to guide them. They had achieved power, respectability, and independence within this community and they believed that through politics, unions and cooperatives the will of their community would prevail over the willful behavior of individual men.

The cooperators’ belief in their own power and position was not enough to guarantee success. In fact the independence and power they had achieved within the city diminished their capacity to innovate and confront threats to their cooperative institutions. It was as if the very alliances that made their place in the community viable narrowed their choices. Having worked with and gained the sympathy of shopkeepers and professionals, the cooperators shied away from anything that would threaten the position of manufacturers in the city. Their goal, now that they had achieved republican independence, was not to control the town but to become legitimate and respected elements within it.

One alternative they might have pursued, the pooling of resources among the
cooperatives, would have provided some protection from the volatility of the market. Three of the four cooperative shoe factories sold their products in the western states and all four had drummers competing with one another for sales.\textsuperscript{39} If they had jointly marketed their goods they would have saved money and effort. They never thought, though, in greater terms than their own businesses and never once turned to each other to join their productive or marketing efforts together. So instead of threatening their fellow townsfolk with a coordinated effort or an expansive cooperative vision, Stoneham's workers allowed their cooperatives to fail. None of the cooperatives survived into the 1890s. In the end, their integration into the city, and their actual power, immobilized them as their dream of cooperative control lapsed into a defensive trade unionism.\textsuperscript{40}.

\textbf{THE COOPERATIVE COOPERS OF MINNEAPOLIS:}

In Minneapolis, Minnesota, barrel makers established a formidable network of cooperatives and built a labor movement that in some respects resembled Stoneham's efforts. The Minneapolis cooperators were skilled workers who remade their communities in order to stabilize their lives and establish their own vision of equity. The cooperers, however, lived and worked in a very different environment from that experienced by Stoneham's workers and they created a very different solution to the problems they faced as cooperators. Indeed, they redefined the boundaries of what cooperatives could accomplish and what cooperators could do.

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\textsuperscript{40}In 1889 the Lasters' Protective Union still existed in Stoneham and had some former cooperators as supporters. "The Campfire of the Stoneham Lasters' Protective Union," \textit{Stoneham Independent}, 13 April 1889.
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At the same time they fought over the meaning of cooperation and their conflicts contributed to the decline of and the failure of the Knights of Labor in Minneapolis.

Minneapolis was settled in the mid-nineteenth century and grew rapidly over the next few decades into a major urban area of well over 100,000 inhabitants. It grew rapidly, in part, because of its expanding primary industry, flour milling. Located at the hub of the Northwestern railroad systems, the city became a principle distribution point for the surrounding territories and states. This region supplied wheat to a new world market, and Minneapolis' central location guaranteed that it would become the largest wheat receiving market in America. By 1886, Minneapolis boasted of 26 mills producing 35,000 barrels of flour a day. Alongside the mills grew a smaller but bustling barrel industry necessary to the packing, storing and shipping of flour. The skilled coopers who made these barrels would become the region's pre-eminent cooperators.41

During the late 1860s the coopers of Minneapolis organized as a union under the auspices of the International Workingmen's Association. Their union along with a strong demand for barrels insured steady work and good pay. These favorable conditions, however, attracted a surplus workforce that overwhelmed the city's labor market and allowed the "boss" coopers, as the owners of the shops were called, to reduce wages and ultimately destroy the union. At this juncture a handful of barrel makers organized the first successful cooperative barrel company in

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Minneapolis, a long lasting business employing at one point as many as 120 working members. Their by-laws, written in 1874, provided the model for at least 11 other barrel shops whose success, in turn, inspired a cooperative store, a painter's cooperative, a worker owned cigar factory, a shirt company and a cooperative laundry.⁴²

Cooperative activity grew in the 1880s along with the power and prestige of the Knights of Labor. By 1886 seven barrel cooperatives engaged in over one million dollars worth of business and employed 321 journeymen-owners out of 600 to 700 barrel makers in the city. Around 40% of these cooperators were native born craftsmen while the rest, in the words of a contemporary observer, were "...a mixed multitude of Swedes, Norwegians, Irish, Germans, [and] Italians..." Actually as many as one fourth of the cooperators were Scandinavian and another fifth German.⁴³

The enthusiasm of the Knights and the barrel makers for cooperative enterprises spread throughout the city. Local assemblies debated the virtues of cooperation and the issue was discussed at the weekly meetings of the city's Trade and Labor Assembly.⁴⁴ The coopers, who were highly skilled and independent workers, led this effort in defense of their craft skills and as a justifiable extension of their artisanal culture.⁴⁵

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⁴⁵See for example, Second Biennial Report of the [Wisconsin] Bureau of Labor and Industrial
Like their counterparts in Stoneham, the coopers searched for permanence of place as they created democratically organized cooperatives. Over time they devised a network of institutions to ensure steady work and the preservation of their craft. At the same time they built homes around their factories. In 1886, the typical cooperator was a married home owner living in the immediate vicinity of his workshop.46

The coopers' political experience differed, however, from Stoneham's shoeworkers. While they participated in a number of political contests and succeeded in electing one of their own to the state legislature, their connections with the machinations of government were remote. In 1887 John Lamb, a leading Knight appointed to head the State Bureau of Labor Statistics, recommended that workers maintain a safe distance from the state. An advocate of cooperation he advised wage-earners to "... not ask the state to do for us anything we can do for ourselves." At the same time, the secretary-treasurer of the Knights' state-wide District Assembly 79 criticized the "planting of political chestnuts" and argued that political reform could only be accomplished through social and industrial change.47 Apparently the coopers and the Knights had little faith in politics as they turned to the reformatory power of cooperative enterprise.

The problems, however, that the coopers faced were far greater than what the shop or

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cooperative store could resolve, and this is where a comparison with Stoneham is most instructive. As in Stoneham, these problems were built into the limitations of cooperative production and working-class republicanism. Forming a business, the cooperators believed, was the quickest and easiest way to banish the boss from the shop and to extend democracy to the workplace,⁴⁸ but it could not guarantee a job. The market for barrels, based on a highly competitive contract system, was driving prices down and pushing many coopers out of the business. Under this system barrel companies would arrange with a mill to supply a set number of barrels at a given price. Always suspicious that other companies might underbid them, the boss coopers and cooperators would lower prices in order to secure their contracts. Wage reductions would follow and the barrel factories would enter a ruinous bout of competition.⁴⁹ In addition, the industry entered a period of stagnation during the mid-1880s as flour mills slowly converted to the use of canvas sacks. Compounding these problems, the barrel companies had mechanized and competitive pressures had forced the cooperative shops to install machinery and reduce their workforces.⁵⁰ In order to deal with this the leaders of the Knights in Minneapolis, cooperative advocates all, developed a plan the likes of which would never have crossed the minds of Stoneham's cooperators. Having created independent communities with no apparent cross-class alliances, they had no fears of middle-class opprobrium. Community loyalties did not hold them back. The cooperators of Minneapolis were free to innovate.

⁴⁸Twentieth Regular Meeting of D.A. 79, p. 59.


In 1887, disillusioned with the ineffectiveness of strikes, the Knights’ District Assembly 79 devised an alternative plan that would transform the cooperage business in Minneapolis. The assembly proposed that all barrel companies form an organization under the auspices of the Knights of Labor. The agreement they hammered out created a “pool” of barrel factories and gave the District Assembly the power to oversee the work of all shops, determine how much a shop was to produce, how many workers were to produce it and at what price it was to be sold. The Knights of Minneapolis had gone beyond the single cooperative as a solution to the labor problem.51

At first, all but two of the cooperative shops agreed to join the "pool," and one of those recalcitrant factories soon agreed to follow suit. As in Stoneham the year before, a minority of cooperators seemed to divorce their interests from those of the labor movement. In Minneapolis the situation clearly exposed the limitations of working-class republicanism as a guide to cooperation. The barrel makers who refused to join the pool, members of the North Star Cooperative Barrel Co., never admitted to betraying the principles of cooperation or their obligations as trade unionists. Cooperation offered them the opportunity for independence, stability and democratic participation. No rules, however, explicitly defined their obligations to other cooperative firms. So the members of the North Star chose to define their obligations narrowly. If joining the pool would force the North Star to share business, denying its members the maximum benefits of cooperation, then they would refuse to participate. They were acting,

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so they argued, as any properly run business concern should act. To do otherwise would be a disservice to their own members. Even after the Knights expelled them as “scabs” from the local assembly, they insisted on their innocence and their good standing as union members. The millers, of course, vehemently opposed the pool. They added to the confusion by attempting to lure barrel manufacturers away with lucrative contracts and threats. That they failed for even a short while to attract other companies was a tribute to the power of the Knights in Minneapolis.52

By the mid-1880s, the coopers’ pool was one small element of a comprehensive plan for cooperative reform devised by the leaders of the Knights of Labor.53 Their plan consisted of three distinct strategies. First, the Knights were to open cooperative stores; second, establish factories; and third settle agricultural and industrial colonies. Indeed they implemented all three approaches with varying degrees of success.

In 1885, the coopers experimented with the consumer strategy when they established a grocery based on Rochdale principles. Two years later the leaders of District Assembly 79 laid plans for a central cooperative wholesale "depot." The depot was to channel cooperatively produced goods to farmers and the farmers' produce to industrial cooperators. Established by the Knights in 1888, the depot was expected to lead to a widespread network of production and exchange.54

52See the weekly column “Coopers’ Chips” in the Northwestern Miller, 3, 10, 17 June 1887; 8, 15, 22 July 1887; 12, 19, 26 August 1887; 2, 9, 16, 23, 30 September 1887; Twentieth Regular Meeting of D.A. 79, pp. 44, 46-47; Knights of Labor, Record of Proceedings of the Twenty-First Regular Meeting of D. A. 79, K. of L. Held At Minneapolis, Minnesota, January 15, 1888, pp. 29-30, 32, Terence Powderly Papers.

53Twentieth Regular Meeting of D.A. 79, p. 8, 26.

54Knights of Labor, Address of the Chairman of the Special Committee on Co-operation
The next step, cooperative production, was also a reality and its overwhelming success among Minneapolis' coopers had a profound impact on the labor movement. In fact, it encouraged a more grandiose idea to circulate. That idea, the founding of a cooperative colony, captivated the imagination of the Knights' leadership. A colony offered a voluntarist solution to class conflict and one which the Knights could hold up as a model for others to emulate.

According to one leader of the Knights:

If we can succeed in firmly establishing one colony, with home industries, established on home land, and protected by home exchange, with home money, under associated home government, we will have done more to solve the industrial question, than have the books of all the writers and talk of all the orators of the past hundred years.

A practical demonstration, they believed, would make believers of men.

The coopers and their leaders viewed the ruinous competition afflicting their industry in the moral terms of working-class republicanism and they saw themselves, the political sovereigns, as the principle agents of change. To achieve social progress they had first to reform

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57 Twentieth Regular Meeting of D.A. 79, p. 9.

58 Rankin, p. 47.
themselves and join together to institute the practical "gospel of Christ" through cooperation.\textsuperscript{59} In 1887 the coopers believed in their right to change the conditions of their work lives and when they put their pooling arrangement into effect they had no qualms about controlling all barrel making in the city.

Yet their attempt to remake the cooperage industry confronted formidable and ultimately insurmountable obstacles. The pooling agreement was probably the most vulnerable of their strategies which they could never enforce over the long term. Though they would try numerous times during the next few years, all such agreements were sabotaged by the non-cooperative shops.\textsuperscript{60} In addition, the resistance of the North Star cooperative to the pool in 1887 created such acrimony within the Knights that the local assembly lost much of its legitimacy and most of its members. At the same time long term changes were undermining the cooperators' collective strength. The mechanization of barrel making challenged the very nature of the cooperatives and compelled them to reduce their memberships, buy out shareholders and hire non-members to run the machines. Undermining their own skill, the coopers eliminated one principle reason for their own cooperation, the maintenance of a craft tradition. At the same time the millers conversion to the use of canvas sacks eliminated any growth in demand for barrels. Under these pressures the cooperatives fought a losing battle.

Other cooperative efforts by the Minneapolis Knights proved equally evanescent. The cooperative colony and the cooperative store disappeared not long after their formation.

\textsuperscript{59} Ibid., pp. 35, 4.

However, the single most important cause of the failure of cooperation in Minneapolis was the Knights' organizational decline after 1886. Without the Knights' power, both locally and nationally, to bind working people together, Minneapolis' workers had little inclination to maintain a commitment to cooperative community. In fact the ideals of working-class republicanism never defined the precise characteristics of that community and under conditions of decline the artisanal ethos that inspired the coopers now constrained their imaginations. They continued to restrict membership in their cooperatives to fully apprenticed craftsmen at a time when such artisans were a dying breed. Rather than admit machine operators as shareholders, the cooperators hired them only as wage laborers. As a consequence the coopers became employers and their shops slowly lost their cooperative identities. At the end of the century three cooperatives still produced barrels but with the industry in decline, the members had lost much of their spirit.61

For a moment in the 1880s, the coopers of Minneapolis could justify their domination of an entire industry. As craft workers they carried with them an independence, pride and trade union tradition that, combined with their desire for stability and community, sustained their cooperative activism. But it was as relatively isolated members of an expanding urban environment that they joined a broad based labor movement and acted to transform their industry. The Knights' power galvanized the coopers and their leadership broadened the barrel makers' vision of feasible reform. When conflict among competing cooperators generated discord in the coopers’ local assembly and the national labor movement collapsed in the late

1880s, the coopers reverted to a strategy of craft exclusionism. For these craftsmen cooperation lost its visionary appeal and became their last defense against the unskilled.

CONCLUSION:

The cooperative stores and factories established by wage earners in the late nineteenth century were basic building blocks of the labor movement. The leaders and rank and file of trade unions and the Knights of Labor considered cooperation a practical alternative to the instability of "competitive" capitalism capable of satisfying workers' immediate needs for necessities and steady employment. Cooperation's ultimate goal to supersede the wage-system and competition, however, was not so easily defined or accomplished. As cooperators attempted to remake their communities, they drew upon a republican vision rooted in the craft and trade union traditions that they often understood only in the vaguest moral terms. Through their experiments these practical utopians attempted to clarify their place as workers in an industrializing republic. They tested the very boundaries of their republican vision and the meaning of democracy in a rapidly changing economic world.

To complicate matters the cooperative experience was riddled with contradictions. Profoundly democratic, male cooperators often fought to preserve their own advantages over women and less-skilled workers, as in Stoneham and Minneapolis respectively. Only under the influence of subordinate workers themselves or leaders of the Knights of Labor did reformers recast their vision and widen the acceptable boundaries of democratic participation. At the same time the voluntary and local cooperation championed by the Order could not survive the demands of the market without some form of outside assistance. If cooperators were to maintain
stability and create community they required resources far greater than their single shops could provide. They found no easy solutions to the problems of cooperatives in a market economy.62

Cooperators, however, established a new level of mutualism that the Knights of Labor could support through its local and national organizations. This commitment to resolve the problems of wage labor could not outlast the Knights. When the Order began its rapid decline in the late 1880s, the working-class phase of cooperation in the United States came to an end. Some individual cooperators made their way into various socialist organizations, but the labor movement as a whole abandoned what it now defined as a hopelessly utopian endeavor. Discouraged and disillusioned, cooperators rethought their assumptions, reconciled themselves to the practical gains of trade unionism and buried their vision of the independent producer citizen with the close of the nineteenth century. The American labor movement was well along its path to exceptionalism.