

The first is directly concerned with building up the Central and Southern Pacific railroads and includes the Construction and Finance Company, Western Development Company, Pacific Improvement Company as originally organized, and the Oakland Water-front. A second group is less directly connected with railroad activities and not affiliated with their original holdings; it is represented in part by the Guatemala Central Railroad, Rocky Mountain Coal and Iron Company, Carbon Hill Coal Company, and Geary Street Railway. The resort properties, primarily Hotel Del Monte and Castle Crags Resort, represent a third; and their ranch properties and real estate subdivisions are a fourth.

There has been considerable criticism of the Big Four as predatory capitalists and of the activities of the construction companies. However, it would seem fair to assume that their activities *did* make for a unified transportation system sooner than such a system might otherwise have been developed and that their later investments were aimed at opening up the State to settlement and bringing about an orderly development.

This discussion is in the nature of a preliminary benchmark to open the way to further studies on the investments of the Big Four. The research has not progressed far enough to make it possible to ascertain the costs of the original investments and the profits, but it is to be hoped that further studies will throw light on the results of their investments and the policies and management employed in administering them.

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Co-operation Is Private Business

Our members have recently received, as a gift from the Business Historical Society, the Harvard Co-operative Society, and the author, a copy of *Harvard Co-operative Society, Past and Present, 1882-1942*, by Professor N. S. B. Gras. The book was written to make known the facts of the Co-operative Society's experience as

a business enterprise. It will no doubt have interest to many beyond the officers, directors, and members of the Harvard Co-operative Society as a record of an experience of over sixty years of co-operative business effort. The book reveals how thin is the line dividing the so-called co-operative and the ordinary private business unit.

It is customary to speak of private business enterprise and the co-operative movement as though they were parts of different worlds. Of course this leads to the view that private business is not co-operative and that co-operative units do not follow the principles of private business. The study, from the inside, of business units in operation shows that that distinction is not valid.

In fact, there has been a strong streak of co-operation in private business from the days of petty capitalism through mercantile capitalism and industrial capitalism down to the present financial or national capitalism. To be sure, there were varying degrees of competition and monopoly which affected co-operation among business men, but there had to be and must always be informal co-operation with persons from whom the business man buys and those to whom he sells. The mediaeval gild and the modern trade association are visible evidences of co-operation of a formal type among business executives.

On the other hand, a co-operative unit, organized to produce or distribute goods or services, follows all essential private business principles—enlists investing capital, borrows capital, hires top executives, department chiefs, and workers, saves some of its earnings, and pays dividends. The dividends may be paid on patronage purchases rather than on capital invested, and that is a crowning difference, but all takes place within the realm of private business. In addition, the executives may be paid salaries below the general level but, if able men are enlisted, they are supported by other business units or they are exceptional individuals who work for esteem rather than salary. Many business men, also, have labored with little salary reward and, in recent years, even without esteem.

Co-operation is found to have been in existence among various peoples before business was born into the world of human endeavor. It prevailed notably among pastoral peoples and in village economy. When free villages became manors, co-operative agriculture became a well-organized and well-crystallized system of production, in which some gave military protection, some managed

the manor as a whole, some looked after cattle or sheep or pigs, and some hitched their horses to the common plows, while others gave the labor of their hands to the task of cultivating the soil.

It is a mistake to think that co-operation was born in the work of Robert Owen, that it necessarily prepares the way for socialism or communism, that it definitely has any social implications, or that it is on the increase. All private business is co-operative, at least informally, and all formal co-operation must employ good business practices if it is to survive.

Old Issues of the Bulletin

The Editor takes pleasure in acknowledging the receipt of an entire file of the *BULLETIN*, which came some months ago as a gift from Mr. F. C. Ayres, a former executive secretary of the Society. We have had an unusual demand for back numbers, and we have drawn freely on this set to help members to complete their files.

During the past year the Society has welcomed some two dozen new affiliated members, in addition to a number of general members, a good proportion of whom are university and other libraries. A number of these libraries already had some issues of the *BULLETIN* and wished to complete their files for binding. We have presented them with as many copies as we had, but unfortunately there are a few which have been out of print for a number of years. If any member has, or knows of, copies of back numbers which are no longer needed, we should appreciate receiving them. We are especially anxious to secure copies of whole numbers 6, 8, 9, 10, 25, 36, 38, 39, 41, 42, 66-67 (double issue), 73, and 90.