

## THE GAZDOVSKÝ SPOLOK OF SOBOTIŠTE

The Spolek Gazdovski v Mestečku Sobotište (Small Farmers' Society in the Small Town of Sobotište), as it is called in its original statutes, was founded on 9th February 1845. It was the first financial cooperative in continental Europe. The first cooperative of all, a cooperative society for trading in food, was founded by textile workers in Rochdale near Manchester on 21st December 1844, under the leadership of Charles Howarts with the name: Society of Equitable Pioneers. Further self-help societies of the credit cooperative type can be found in other European countries only after 1845, specifically at Eilenburg in Saxony in 1850.

Twelve citizens of Sobotište met in the house of the tailor and small farmer Michal Horňák on the 49th birthday of the local teacher Samuel Jurkovič for a general meeting. They approved the statutes of the cooperative and elected an „executive committee“ from among the members without regard for who had more shares. In principle only one share was enough. Jurkovič was elected to the position of administrator and chairman, Michal Horňák became treasurer, while Ján Zatkalík and Anton Nižňanský became accountants. Pavol Dobrocký and Michal Jelínek were elected as assistants. The cooperative was established for a period of six years, that is, up to the end of 1850, and the executives were elected for one year. Jurkovič wrote in Orol Tatranský on 3rd February 1846, that the society „did not arise from deep thought or any art, but is not a result of selfishness either. It grew from the Slovak people and nation, as from a lime seed.“

Signing of the statutes by the participants meant becoming a member of the cooperative and accepting an obligation to observe its regulations and be directed by them. According to the statutes: „The Spolek Gazdovskí is a voluntary association of some local inhabitants, without distinction of religion, established for the purpose of assisting property, farming, craft and the general state of agriculture. The aim of the organization is to encourage farming among the people. It should help with noble, peaceful and necessary assistance.“

The founders supported voluntary action. Jurkovič demanded „that nobody be told or forced to become a member, each person should decide for himself.“ Shares were recorded by name and could not be sold. The member could leave the society at any time

and receive back his deposited share. Each member was obliged to pay a „basic deposit“ of 30 kreuzers on joining and deposit the sum of three kreuzers in silver each week. The founding members of the cooperative agreed on producing members' deposit books and caring for a wooden chest covered with metal plate and opened by two different keys, which served as a safe. Self-help was an important principle. The society did not employ any official apparatus. All work in favour of the cooperative would be done without payment. The founders agreed that at first they would not accept into the society more than 30 members, who they knew well, so that they could be sure of the conscientious fulfillment of obligations, but great interest in membership led to them increasing the number to 60.

The deposited money was lent at an interest rate of six per cent, and responsible non-members could also obtain loans. In this, the society differed from later credit cooperatives and from the cooperatives founded in Germany by Schultze-Delitz or Raiffeisen from the middle of the 19th century. The slogan „all for one and one for all“ found in the Sobotište statutes was also followed by Raiffeisen.

The society was concerned with moral questions as well as economic functions. The statutes state: „The society shall lead its members to the nobility and orderliness of the Christian life, to enterprise and faithfulness in their profession, to thrift and prudence.“ Every member committed himself to lead a moral life, to renounce gambling, alcohol and any moral lapses. The activities of the society also included care for the education of members and spreading of the press.

Comparing the statutes of the Rochdale and Sobotište cooperatives, we find that they have many similar features. Both cooperatives originated in small poor cottages, but they also differed in various ways. English conditions enabled the cooperative to grow. It became the largest consumer cooperative in the world. However, after six years, the Sobotište cooperative was dissolved because of the unfavourable social situation. On 28th January 1851, Jurkovič wrote: „The first economic institution at Sobotište ended happily.“

The Sobotište cooperative was an example for the establishment of other similar societies. The Slovenské národné noviny (Slovak National Newspaper),



published by Ľudovít Štúr, more or less promoted the idea. The Gazdovský Spolok of Vrbovce was founded on 19th March 1845 by the priest Jaroslav Bórik in cooperation with the teacher Juraj Kulíšek, and a year later another Gazdovský Spolok was established at Myjava, followed by cooperatives at Mošovce and Blatnica in Turiec, the Hospodársky Spolok of Tisovec founded thanks to Štefan Marek Daxner and so on. In Slovak conditions, especially in the countryside, credit cooperatives named gazdovský spolok, hospodársky spolok or sporiteľnica had better prospects for success than the establishment of banks as joint stock companies.

Various important men contributed to the develop-

ment of financial institutions for the ordinary people of Slovakia, but above all Daniel Lichard, active in Skalica from 1862 as publisher of *Obzor* and of calendars with the name *Domová pokladnica* (Domestic Treasury). He started a new stage in the development of cooperative finance. Up to 1875, 44 mutual treasuries were established in Slovakia according to Lichard's model. Before the financial system changed beyond recognition in 1948, Slovakia had 809 credit cooperatives, 58 small farmers' mutual treasuries, 39 tradesmen's and civil credit institutions and 20 town savings banks with eight branches and collecting offices.

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