

## Zgodovina zadružništva v Sloveniji (1856–1992) [History of Cooperatives in Slovenia, 1856–1992]. By Žarko Lazarevič, Marta Rendla, Janja Sedlaček.

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Published by the Slovenian Cooperative Union, the volume entitled *The History of the Cooperative Societies in Slovenia (1856–1992)* offers a comprehensive overview of the history of the Slovenian cooperative movement from the mid-nineteenth century to the establishment of the independent Slovenian state in 1992. Žarko Lazarevič, Marta Rendla, and Janja Sedlaček, experts in economic history from the Faculty of Humanities at the University of Nova Gorica and researchers at the Institute of Contemporary History in Ljubljana, have undertaken a significant task.

The project is multifaceted, involving two primary aspects: geographical and that of social and political history. ‘A History of Cooperatives in Slovenia,’ does not fully reflect the complexity of the authors’ intentions. Considering the significant changes that the concept and content of cooperatives underwent between 1856 and 1992, it is necessary to distinguish at least two periods. The first period begins in the nineteenth century and encompasses cooperatives established under the conditions of free-market capitalism; the second follows World War II and covers cooperatives that emerged in socialist Yugoslavia. The structure of the book reflects this division into two fundamentally different eras.

However, the phrase ‘in Slovenia’ in the title raises many questions. A unified Slovenian state territory did not exist before 1918. Slovenes lived in two state territories of the dual monarchy: in the Austrian provinces and in the southwestern parts of Hungary, under completely different historical circumstances. Moreover, the Slovenes in the Austrian territories lived in separate provinces cut off by provincial borders, each with slightly different conditions. In addition, there was a strong majority Austrian German influence in the Austrian territories, and a strong Hungarian influence in Hungary. And we should not forget that there were Slovenes living in Italian territories. These groups were mostly under the influence of centres

outside the borders of present-day Slovenia, such as Trieste, Graz, Klagenfurt, Vienna, Szombathely, and Budapest. However, the perspective of a unified state territory, which retrospectively extends to the pre-1918 state formation, seems fully acceptable when referring to the main area of the Slovenian ethnic region, and even the nineteenth-century Slovenian national movement referred to the Slovenian ethnic territory as Slovenia (Slovenija).

At the beginning of the nineteenth century, approximately 80 percent of the Slovenian population made a living from agriculture. Due to industrialization, the emergence of market conditions in agriculture, and vulnerability to foreign competition, agriculture fell into crisis. Janez Evangelista Krek, a leading intellectual of the late nineteenth-century Slovenian national movement, sought a way out of this situation. As a representative of Slovenian conservative politics, he envisaged a solution based on the Christian social principles emerging at the time, primarily addressing low living standards, unsustainably low prices for agricultural products that threaten the economic viability of agricultural farms, creditworthiness issues, and the unregulated credit market. This is how the first credit cooperatives, inspired by the work of Friedrich Wilhelm Raiffeisen, whose works Krek translated into Slovenian, emerged in the Slovenian context in the final decades of the century.

But both the liberal Schulz-Delitsch model and the Christian social Raiffeisen model spread in Slovenian territories. The former offered protection against stronger competitors to the urban middle class, fruit growers, merchants, and small landowners. The latter operated primarily as a centralized credit cooperative and had a stronger element of solidarity. The Rochdale model, originating in England and subsequently referred to as the consumer cooperative model, had a smaller but noticeable impact on the history of the Slovenian cooperative movement, leading to the establishment of social democratic worker cooperatives.

As with any historical phenomenon, the question of primacy is important in the history of Slovenian cooperatives. The authors distinguish between the 'first first' and the 'second first' cooperatives. The truly first one was founded in 1856, the year that marks the beginning of the period covered by the book. They see the first distinct initial period as the so-called 'national period' associated with Mihael Vošnjak, and the second 'social period' as associated with Krek. The Schulz-Delitsch cooperative model was more characteristic of the first, while the Raiffeisen model was more characteristic of the second. Although the cooperative law was only enacted in 1873, in 1856 the Ljubljana fruit growers established an association that the book calls a 'proto-credit cooperative,' which was registered as a cooperative in 1874, with a predominantly German membership. The book describes its history in detail. The association referred to as the 'second first cooperative' is the one that the academic literature has so far considered the first Slovenian cooperative. The 1956 *Cooperative*

*Encyclopaedia* considered the Ljutomer cooperative to be the first. Its organisation started in 1868 by Slovenian patriots, the Vošnjak brothers, Josip and Mihael, primarily based on Czech models. After a long struggle it was finally registered in 1872.

The cooperative life of the last decades of the nineteenth century was determined by two fundamental features. One prioritized the national aspect, such as the Vošnjak brothers' Celje cooperative, which was important in the Slovenian–German national struggle. The Vošnjak brothers also founded the Slovenian Cooperative Union in Celje in 1905. The other was the cooperative associated with Janez Evangelista Krek, which prioritized social aspects. Built according to the Raiffeisen model, 481 such cooperatives were created between 1892 and 1905, and in 1895 the Provincial Credit Cooperative Union was founded in Ljubljana, followed by the Ljubljana Union of Slovenian Cooperatives in 1907. During World War I, social democratic consumer cooperatives with their headquarters in Vienna also appeared, the first being the Zagorje cooperative established in 1897. After 1918, these were incorporated into the Yugoslav Federation of Economic Cooperatives.

A year after the establishment of the Ljutomer cooperative, a law was passed which determined the conditions for the operation of cooperatives up to 1936. In the first decade of the twentieth century, the cooperative movement was a determining factor in economic life, publishing several newspapers (*Zadruga*, *Narodni gospodar*, *Zadružni vestnik*) and establishing a cooperative department at the Ljubljana Commercial School for the training of cooperative officials. Credit cooperatives provided approximately 40 percent of Slovenian banking capital, while alpine dairy cooperatives played a significant role in modernizing livestock farming. They also contributed to the modernization and democratization of society.

Following the formation of the South Slavic state, the Slovenian cooperative centre in Celje gained dominance. The first cooperative bank, the only one outside Ljubljana, was established there. In 1920, the Catholic conservative political wing associated with Krek also established a cooperative bank in Ljubljana. The decade after the Great Depression of 1929–1933 brought rapid development to the cooperative movement, and by 1937, there were already about 1700 cooperatives in operation.

The volume presents the socialist period as a completely new phase in the history of the cooperative movement. The period after World War II brought a radical change in rural life and a devaluation of the peasant lifestyle. It began with the agrarian reform of August 1945, which maximized the size of peasant farms and turned most of the land and forests into state-owned areas: 13.4 percent of the distributed land was transferred to peasant (often colonist) ownership, while 63.5 percent became state-owned. The classic form of cooperatives was abolished, and by 1949, a new type of cooperative, based on 'socialist cooperation' had been established, with one in every village and a total of 1160.

These were primarily distribution cooperatives, but as Edvard Kardelj stated in 1947, their ultimate goal was full collectivization, but done less overtly than in the Soviet Union. The cooperative law of 1946 established agricultural (KDZ), craft, and housing cooperatives. Agricultural cooperatives belonged to the Slovenian Cooperative Union, formed in 1952 from the former Republican Agricultural Cooperative Union, and from 1949 it was also the main actor in the collectivization process. However, in this economically more developed Yugoslav republic, only about 5 percent of the Slovene peasantry participated in it; therefore, collectivization was stopped in 1953. Based on ideological pragmatism, cooperatives were gradually transformed into work organization cooperatives; for example, from 1960 onwards, health insurance was also realized through them.

In parallel with the constitutional processes of the constituent republics, in the 1960s and early 1970s, the legal background of cooperatives in Yugoslavia underwent still more changes. In 1974, a new cooperative law was adopted. Regional food processing centres were established. Forest cooperatives created during the nationalization of 1949 received additional infrastructure and tourism development tasks. In the second half of the 1980s, the legitimacy of private and mixed ownership was also recognized. Following the establishment of independent Slovenia, after nearly two years of negotiations, a modern Slovenian cooperative law was adopted in 1992, facilitating the emergence of contemporary cooperative practices.

The volume offers a comprehensive overview of the Slovenian cooperative movement's history: each historical chapter is followed by a chapter on social history connected with the history of cooperatives. The richly illustrated volume is closed by an extremely informative and comprehensive bibliography.

