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Credit-Cooperatives in Hungary 1875-1908

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1. The paper first undertakes to define its subject – what is, and what is not a cooperative? Basically, one argues for two distinctions – one that has to do with a difference between facilitating an economic activity like consumption and production, on the one hand, and the transfer of resources on the other hand, and another distinction between the cooperative undertaking with a local scope of activities and such forms, that by their very nature must rely on networks and economic integration.
2. Then, after a brief reference to antecedents, it outlines the first wave of coop development in Hungary, that of credit coops. Special interest will be paid to the preconditions for such a development, for the relevant attitudes of the peasants, the local elites, the great landowners, the government and the banks.
3. Third, we look at the question, in what ways what political power could be held by coops? It is a corollary, whether there was a contemporary realization of this potential political influence and whether it has shaped the acceptance of, or opposition to the development of cooperatives?

To answer this question, we look at three aspects: First, to credit-coops as catering to a new financial market of small agricultural producers, that would have been unreachable up to then. Then, we look at the coop networks as a potential base for political mobilization. Finally, we briefly consider the symbolic aspects of the workings of credit coops.