

Price: 10 centimes.

**AT THE TEMPORARY HEADQUARTERS OF THE MUTUALITY OF LABORERS,
Rue du Faubourg Saint-Denis, 23;**

CHEZ RAGINEL, RUE DE CLÉRY, 74;

And at the Propagande Démocratique et Sociale, rue des Bons-Enfants, 1.

MUTUALITY OF LABORERS

CONTINUATION

OF THE BANK OF THE PEOPLE

Temporary headquarters, rue du Faubourg Saint-Denis, 23.

PROPOSITIONS

SUBMITTED TO THE WORKERS' ASSOCIATIONS AS WELL AS TO THE SUBSCRIBERS AND SHAREHOLDERS OF THE SOCIETY P.-J. PROUDHON & Co., IN LIQUIDATION;

PRELIMINARY MEETING OF APRIL 14, 1849,

Salle de la Fraternité, rue Martel.

The office is occupied by the citizens L. Carlique, F. Chertier, Victor Chipron, E. Dubuc, L. Lavoye, A. Lefaure, Jules Lechevalier, collaborators with the citizen P.-J. Proudhon in the Bank of the People, and signatories of the letter of convocation.

The meeting opens at one o'clock. The meeting was composed of 200 persons. Those present included:

1. The delegates of the thirty-one associations whose names follow: locksmith-mechanics; brush-makers; bakers; haberdashers; iron beds; barbers of the Rue Jean-Robert; tinsmiths; chair-joiners; barbers of the Rue des Gravilliers; saddlers and harness-makers; leather curriers; shoemakers of the Rue Rambuteau; building carpenters from the Chapelle Saint-Denis; mechanics; masons; file-makers; cooks of the Rue des Trois-Couronnes; barbers from the Rue Cadet, n° 4; clockmakers; house-painters, Rue de Paradis-Poissonnière; house-painters of the Place de la Rotonde; makers of billiard tables; locksmiths; lace-makers; hosiers; milliners of the Boulevard Saint-Denis; tailors, Rue du Faubourg Saint-Denis, 23; box-makers; cobblers and boot-makers, Rue du Cadran; wine-merchants from the Rue Jean-Robert;

2. Two representatives of the permanent commission of the delegates of the Luxembourg;

3. Editors representing the *République*, the *Révolution démocratique et sociale*, and the *Démocratie Pacifique*;

4. The delegates of the branch offices of the old Bank of the People from the 1st, 7th, 9th and 12th arrondissements and the Batignolles.

The citizen Jules Lechevalier explains the object of the meeting, which is to name a commission charged with examining the report and the new propositions of the provisional committee for the reorganization, continuation and transformation of the work of the Bank of the People, following the liquidation of the Society P.-J. Proudhon and Co.

The citizen Chipron read three declarations of the provisional committee for reorganization, on the occasion of the retirement of the citizen P.-J. Proudhon and Co., and for the liquidation of the Bank of the People.

The first piece is a letter addressed to a citizen P.-J. Proudhon, to engage him to remain, though absent, at the head of the work of the Bank of the People.

The second is the declaration published by the journals the *Peuple*, the *République*, the *Démocratie Pacifique* and several other journals.

The third is composed of observations of collaborators of citizen P.-J. Proudhon in the public declaration, concerning the liquidation of the Bank of the People.

That reading is as follows:

1. Of the report inserted below.
2. Of the propositions also inserted below, part B.

After discussion of the different subjects on the agenda, the assembly decides, in agreement with the bureau,

1. That it does not find itself numerous enough to proceed to the nomination of the Commission charged with examining the report and the propositions;

2. That this report and these propositions, which will be communicated to the Meeting of the following day, April 15, will be printed and distributed with the shortest possible delay, so that they can be acted on correctly and knowingly at the elections of the deliberative Commission of fifty delegates and associations, as well as the consulting members of said Commission.

Certified true copy, *Signed*:

L. CAELIQUE, F. CHERTEIR, V. CHIPRON, É. DUBUC, L. LAVOYE, A. LEFAURE, JULES LECHEVALIER.

GENERAL MEETING OF DIMANCHE, APRIL 15, 1849.

This meeting, composed of about 2,500 persons, heard, several times giving lively testimony of its agreement, the reading of the following documents:

REPORT

READ AT THE PRELIMINARY MEETING OF APRIL 10 AND AT THE GENERAL MEETING OF APRIL 14, BY THE CITIZEN, VICTOR CHIPRON.

Citizens,

We have requested your attendance to speak with you about the new situation created in the work of the emancipation of the laborers, and in particular the workers associations, by the liquidation of the *Bank of the People*.

We first have to present to you a history of the combination pursued with the citizen Proudhon, from the proposal of the *Bank of Exchange* to the last transactions made by the *Bank of the People*. Then we will enter into a short report of the reasons

that have convinced us to take up once again, on new bases, the work that the citizen Proudhon found himself forced to abandon.

Finally, we will be talking about how we understand the work that must be followed by the new institution for which we first require your opinion, and, if necessary, your support.

BANK OF EXCHANGE.

In the month of April 1848, the citizen Proudhon gathered, in the offices of the newspaper the *Représentant du Peuple*, a certain number of citizens to whom he communicated, under the name of the *Bank of Exchange*, a plan that he presented as the summary of his ideas on the ways and means of the economic revolution.

A commission was appointed to examine this plan, and complete its elaboration; it was first published in the newspaper *Représentant du Peuple*, with nomination and appel par la seule initiative of the citizen Proudhon, with a certain number of citizens choisis dans toutes les écoles, economic as well as socialist, and among the principal organs of the press of all opinions: Greppo, Emile de Girardin, Infantin, Chambolle, Vidal, Duras, Bastiat, Villegardelle, Ramon de la Sagra, Considérant, Michel Chevalier, Fauvety, Schmelz, Darimon, etc., etc.

Such was the composition of this committee, of which our collaborator Jules Lechevalier was established as vice-president along with Emile de Girardin. The majority of persons nominated, not having been previously consulted, declined to participate in the committee, so that there remained only Greppo, Ramon de la Sagra, Charles Fauvety, Schmelz, Darimon and Jules Lechevalier, who had joined without reservation.

The plan of the *Bank of Exchange* rested at base on operations quite similar to those that had later been indicated as the object of the Bank of the People, with the difference that the society operated without capital, and limited its work to the transformation of the ways and means of credit and circulation, without claiming to completely modify, in any way, the conditions of production and consumption. Everything should have regulated itself through the effect of the new mechanism of circulation.

All commerces, all establishments were called upon without distinction, without any interference in their affairs, and likewise, without any provision, either to regulate anarchic competition or to organize association..

At that moment the June days occurred, and then the suspension of the newspaper *le Peuple*, during the state of siege. From that moment there was no more question of the Bank of Exchange until last September 24.

BANK OF THE PEOPLE.

At that time, a notice published in the newspapers summoned the workers' associations and delegates from the Luxembourg to 25 rue du Faubourg Saint-Denis. The purpose of this summons was to hear a proposal from citizen Jules Lechevalier, seeking to appoint a workers' commission, to which the leading socialists were to be added, tasked with examining and developing a plan to organize a *Bank of the People* with two unions, one for production and the other consumption.

The minutes of this meeting reveal a significant difference between the proposed *Bank of the People*, with its annexes, and the original idea of a *Bank of Exchange*.

First, it was no longer a joint appeal to all professions and industries, and to all workers. Instead, the interests of the people were presented in opposition to those of the employers and the financial feudalism. The workers themselves were called upon, through their combined wages deposited in a central fund, to generate the metallic capital necessary to guarantee the circulation of notes of the *Bank of the People*. This capital was to be used simultaneously to establish institutions owned by the workers, structured in such a way that all consumption became a profitable investment for the consumer.

The need to act simultaneously on production and consumption, as well as on circulation, is presented as the principle of the project. It is even something more general than a Bank, or any other specific combination: it is a matter of the people,

assembled together, devising a means to accomplish for themselves the practical work of their emancipation. The people are called upon to appoint delegates from among themselves in the very session, and it is these delegates who, on the proposal of Citizen Jules Lechevalier, call upon Citizen Proudhon to preside, adding to the Commission some of the leading socialists. They base their studies on Citizen Proudhon's proposed *Bank of Exchange*, as well as the work of the Commission of Delegates of the Luxembourg published in the *Moniteur*.

These are the very terms of Article 8 of the proposal.

The Commission takes office immediately and appoints Cabet, Pierre Leroux and Jules Lechevalier as vice-presidents. Cabet, present at the third meeting, declines the vice-presidency due to the demanding attention required in managing the Icarian emigration. The Commission asks Citizen Proudhon to draft a proposal for a Bank of the People, which he promptly prepares. This proposal is published in the newspaper *Le Peuple*.

The Commission, after including citizens Ramon de la Sagra, De Bonnard, Pasturin, Fauvety, Schmelz, César Daly, Alfred Darjmon, Deligny, Gamet, Jalasson, Langlois, Perreymond, Villegardelle, Vincent, and representatives of the people Pelletier, Brives, Greppo, Démosthène Olivier, and Félix Pyat, appointed a sub-Commission tasked with engaging in a debate with Citizen Proudhon on the proposal he had presented. The discussion took place over approximately two months in the offices of the newspaper *Le Peuple*. Citizen Proudhon's principal interlocutors were citizens Pierre Leroux and Vidal, both of whom limited themselves to criticizing the proposed solution without offering an alternative. Citizen Ramon de la Sagra proposed several modifications, which were accepted.

No minutes were kept of the sub-Commission's meetings.

As for the General Commission, which met fourteen times, its minutes have been carefully preserved and remain available to any citizens who may wish to obtain further information.

While the process was underway, citizens Pasturin and Jules Lechevalier approached the Commission of Delegates from the Luxembourg to secure the Delegation's support and to give the idea of trade unions, as a means of regulating production and consumption, the support it naturally sought from those who upheld the tradition of labor organization as formulated in Luxembourg.

After reviewing the proposals, the Standing Committee appointed citizens Lavoye, Lefaire and Chipron to assist in the development of the unions and to oversee the drafting of the various articles of association for both the Bank of the People and these two new institutions.

A report was subsequently produced, which, after being accepted by the Standing Committee of Delegates and by the committee of the Bank of the People, received full approval at a general meeting of the Delegation on January 16th, and a few days later, the approval of Citizen Proudhon. This report was reproduced by the newspaper *Le Peuple* and published with the articles of incorporation of the Bank of the People.

From that moment, it was decided to put things into practice, and the notary Dessaignes was tasked with finalizing the articles of incorporation, which were definitively drawn up and signed by Proudhon on January 31, 1849. Finally, the Bank of the People opened its offices for membership and subscriptions on February 11.

For the past two months, from the opening of the offices until now, the bulletins published in the newspaper *Le Peuple* have kept you informed of the progress of memberships and subscriptions, as well as the work of classifying members.

The final incorporation of the Bank of the People and the commencement of operations were contingent upon the raising of 50,000 francs. The first financial transaction, consisting of the issuance of bonds against cash, was ready for execution, and all measures were taken to reach, in the very near future, the sum required in the articles of incorporation for final incorporation. Meanwhile, the Bank's administration did not remain idle; it worked to organize correspondent offices in a large number of departments, in most districts, both in Paris and the suburbs, and above all to secure the membership of workers' associations. The administration also worked, as far as it could, to form new associations intended to fill the gaps that existed in the original network.

To achieve this, we had to draft a general set of statutes that, except for the modifications required by the various professions, could be applied to all workers. The elements of this work were drawn from:

1. A draft prepared by the Luxembourg delegation;
2. The statutes of the Bank of the People themselves;
3. Finally, the input that workers from fourteen different trades kindly provided.

The associations that have joined the Bank of the People, and those that have been formed or are in the process of being formed with our support, are, at present, a practical and definitive achievement in the cause of socialism. It is on this basis that we propose to build the new alliance that will be submitted to you.

LIQUIDATION OF THE BANK OF THE PEOPLE. NEW SITUATION.

The question we had to ask ourselves when we were notified by Citizen Proudhon of the liquidation of the Bank of the People was whether to continue, and to what extent it was appropriate and possible to reproduce the same method of operation. We wondered whether there might not be significant benefits to be gained for the future from the results of an experiment conducted for two months under the best conditions and with all the necessary zeal and dedication. Agreeing in this with most of the associations we consulted, we concluded and publicly declared:

1. That a concrete reality was the most important point to secure for the confirmation of socialist theories;
2. That the best elements for this realization lay within the already existing core of workers' associations;
3. That, in accordance with the principles of the socialist democracy, elections should be the sole basis for the new structure.

Consequently, we will submit to you a proposal whose aim is to regularize the past and secure the future.

PROPOSALS FOR THE ORGANIZATION OF A SOCIETY CALLED: MUTUALITY OF LABORERS.

The undersigned, constituted as a Provisional Reorganization Committee;

Convened in an extraordinary and emergency meeting to consider the measures necessitated by the retirement of Citizen P.-J. Proudhon, sole managing director of the P.-J. Proudhon & Co. Company;

Hasten to acknowledge that Citizen Proudhon had legitimate reasons for relinquishing the management of the Bank of the People and for liquidating, through the full reimbursement of shareholders, the Company which was being formed under his personal responsibility.

They also recognize that this work must be continued, that it must never cease except as a result of force majeure, and that, if hindered in one form, it must be resumed in another, until the complete emancipation of labor from capital.

They acknowledge, at the same time, that regardless of the force majeure event that brought an end to Citizen Proudhon's management, the experience gained from February 11th to April 12th indicates certain changes to be made, whether in the founding principles of the project, in the purpose and nature of its operations, or in the methods and means of execution.

Consequently, the undersigned adopt the following principles as the basis for the new structure that will replace the Society Proudhon & Co.:

The formation of the new company will proceed exclusively through election, subject to the specific conditions of competence required for an industrial project.

The management will be composed, at least in majority, of workers who have practiced or are currently practicing an industrial profession, and who belong to the trades that have appointed delegates in Luxembourg.

In the operational aspects, theorists must remain at the service of practice and intervene only as advisory agents or as responsible and removable officials.

There is no longer any need for purely capitalist subscribers to intervene as shareholders.

All members must accept the essential principle of the work, namely: *that the Society's absolute aim is to organize all relations of exchange and business, production and consumption, according to fixed rules of justice and foresight, fraternity, equality, and association, temporarily subordinating the considerations of individual liberty.*

All members must accept the publication of their name and address, as well as their relationship with the Society.

If they practice a profession, they must accept control of the *Mutuality* over the quality and price of their products.

There is an incompatibility between industrial positions based on the rules, customs, and habits of the exploitation system and the status of shareholder or member of the Workers' Mutual Society.

The new Society will be one in its threefold purpose and organized into three different functions or divisions.

It calls upon all workers, without exception, and most particularly those who have been subject to unemployment.

It will establish its initial capital through contributions and dues from workers' associations and workers.

The Society must be formed and constituted on the same day, have its capital subscribed and fully paid up, and commence operations from the date of publication of the deed.

This capital will be fixed at the amount the Society has on hand at the time of its incorporation; it will increase progressively through new contributions from each member. These contributions will be made in the form of labor bonds, products, and cash if necessary.

There will be a complete novation with regard to shareholders and members between the new Society and the Proudhon and Company.

Shareholders wishing to participate in the new endeavor will contribute their funds as gratuitous donations or interest-free loans, repayable annually through the Society's bonds.

There will be active members and adherents.

Active members and associates agree to conduct all their transactions with each other without cash, and to deposit into the Society's treasury, against its notes or bonds (the nature of which will be determined later), the metallic currency they receive in payment for products, services, or wages.

The Society, for its part, agrees to supply them with all raw materials, services, and consumer goods, against the payments it has accepted in cash, labor, products, and other liquid or other forms of security.

The Company shall be a general partnership and a limited partnership by shares. — Its duration shall be ninety-nine years. — Its registered office shall be in Paris.

It will be administered by a general management board composed of delegates from the three divisions listed below.

The Society will take the name MUTUALITY OF LABORERS.

It will be organized into three divisions:

The FIRST DIVISION, known as the reciprocal and free credit agency, will comprise:

1. The centralization of supply and demand;
2. The brokerage of reciprocal and free credit;
3. The solicitation, ordering and implementation of transactions between workers.

The Society will not discount commercial paper, nor grant mortgage loans, nor overdraft facilities.

It will only issue securities (notes, money orders, fixed-maturity bonds), not redeemable in cash.

The SECOND DIVISION, known as the *General Syndicate of Production*, will be organized on the basis set forth in the report presented to the delegates of the Luxembourg at the meeting of January 16.

The THIRD DIVISION, known as the *General Syndicate of Consumption*, will also be organized according to the principles laid out in the aforementioned report.

The three divisions will have to operate jointly and simultaneously under the responsibility of a single management board.

FORMATION OF THE COMMISSION RESPONSIBLE FOR ESTABLISHING THE SOCIETY.

In order to prepare the organization of the new Society, a deliberative commission, known as the reorganization commission, is hereby created.

This commission will be composed of fifty members and will have the option of adding ten advisory members chosen from among the leading socialists.

The deliberative commission will be chosen exclusively from among the members of associations formed according to the principles set forth in the model document mentioned in the report above, page 6, or who will subsequently commit to conforming to them and to reconstituting themselves accordingly, under the direction of the MUTUALITY OF LABORERS.

The deliberative commission will have the power to appoint an executive committee composed of as many members as it deems appropriate and to select its personnel according to the needs of the organization.

The deliberative commission must establish the Society within fifteen days of its election.

The deliberative commission and its advisory members will be appointed by list ballot by an assembly composed of three delegates from each of the associations that joined the former Bank of the People and from those whose statutes are currently under review, or whose statutes will be filed five days before the election to regularize their commercial position with regard to mutual credit operations.

The election will take place on Wednesday, April 25, at noon, in the *Salle de la Fraternité*.

This proposal will be communicated at the public meeting of shareholders and members of the Bank of the People in liquidation, scheduled for Sunday, April 15, in the *Salle de la Fraternité*.

Resolved in Paris, 23 rue du Faubourg-Saint-Denis, on April 14, 1849.

Signed: L. CARLIQUE, F. CHERTIER, V. CHIPRON, E. DUBUC, LOUIS LAVOYE, A. LEFAURE, JULES LECHEVALIER.

The headquarters of the Provisional Reorganization Committee is located at 25 Rue du Faubourg Saint-Denis.

Raginel, 74 Rue de Cléry.