1001 R 2565
000052

RUSSIA

AFTER TEN YEARS

FLORIDA ATLANTIC UNIVERSITY
LIBRARY

Report of the American Trade Union Delegation to the Soviet Union

A crisp and lucid account of the various phases of the new life in Russia as seen by the first American labor group to visit that country since the Revolution. The Delegation offers in its report an objective study of the Soviet Government, the Communist Party, education, civil liberties, agriculture. It pays special attention to the trade unions, wage scales, conditions of employment and the extensive system of social insurance which the Russian workers enjoy. The report is a compendium of the latest information regarding the progress which Soviet Russia has made during the past ten years.

INTERNATIONAL PUBLISHERS
381 FOURTH AVENUE - - - NEW YORK

SOCIALIST - LABOR
COLLECTION

$.50

THE LIFE AND DEATH OF SACCO AND VANZETTI

By Eugene Lyons

Here are gathered all the elements of the social drama which has shaken the world. The author, closely associated with this famous case from its beginning, traces with tremendous power and insight the lives of the two Italian workers from their boyhood in Italy to their execution in Massachusetts. Its stage is the world; its actors are not only the two radicals but whole nations. The book is a working class epic. A story about Sacco and Vanzetti told against the background of immigrant life in America. 12mo. $1.50.

Interested readers are invited to send in their names and addresses for inclusion in our permanent mailing list. We will be glad to send our complete catalog and the advance information we issue from time to time. Please use the coupon below.

INTERNATIONAL PUBLISHERS

381 Fourth Avenue, New York

Gentlemen:

Please put my name on your permanent mailing list.

Name . . . .

Address . . . .

. . . .

RUSSIA AFTER TEN YEARS

Report of the American Trade Union Delegation to the Soviet Union

Palace of Labor, Moscow
General Headquarters of the All-Union Central Council of Trade Unions and the various national trade unions

RUSSIA
AFTER TEN YEARS

Report of the American Trade Union Delegation to the Soviet Union

New York
INTERNATIONAL PUBLISHERS

Copyright, 1927, by
INTERNATIONAL PUBLISHERS CO., INC.

Printed in the U. S. A.

This book is composed and printed by union labor

CONTENTS

PAGE

Frontispiece. Palace of Labor

List of Personnel of the American Trade Union Delegation, Technical and Advisory Staff, and Research Assistants 6

Introduction 7

Map Showing Cities in Soviet Union Visited by the Delegation 8-9

Economic Progress 14

The Trade Unions: Strikes and Disputes; Are the Trade Unions Controlled by the State; Trade Union Structure; Union Finances; Membership Qualifications; Production Work of the Unions; Cultural-Educational Work 17

Wages: Additions to Wages; Total Wage Increase Per Hour 35

Labor Laws and Social Insurance: Hours of Work and Rest; Vacations; the System of Social Insurance 39

Housing 51

Consumers' Coöperatives 54

Agriculture 59

Education 64

Structure of the Government and the Communist Party 67

Civil Liberties 74

Relations with Other Countries 80

American Recognition 85

Second Delegation 95

AMERICAN TRADE UNION DELEGATION TO THE SOVIET UNION

Honorary Chairman: L. E. SHEPPARD, President Order of Railway Conductors; Member first Federal Industrial Commission; Chairman U. S. Government Commission on Labor Conditions in the Hawaiian Islands.

Chairman: JAMES H. MAURER, President Pennsylvania State Federation of Labor; President of Workers' Education Bureau; Chairman Brookwood Labor College Committee; Chairman Pennsylvania Old Age Assistance Commission.

JOHN BROPHY, President District 2, United Mine Workers of America (1917-27); member executive committee, Workers' Education Bureau; member Labor Committee, Brookwood Labor College; Vice-President Public Ownership League of America.

FRANK L. PALMER, Editor Colorado *Labor Advocate;* member International Typographical Union; University of Denver and Denver Labor college.

JAMES WILLIAM FITZPATRICK, President Actors' and Artistes of America; Holy Cross College and Catholic University of America.

Secretary: ALBERT F. COYLE, Executive Secretary All American Coöperative Commission; Editor *B. of L. E. Journal* (1921-27); Chairman Progressive Party of Cuyahoga County, O.; Editor, *Coöperative News Service;* graduate of Stanford and Yale Universities.

TECHNICAL AND ADVISORY STAFF

J. BARTLET BREBNER, PH.D., Assistant Professor of History, Columbia University; Oxford University, University of Toronto.

STUART CHASE, Director, Labor Bureau, Inc., and certified public accountant. Massachusetts Institute of Technology and Harvard University; author *Tragedy of Waste,* etc.

GEORGE S. COUNTS, PH.D., Professor of Education, Teachers' College; Director of International Institute of Education.

ALZADA COMSTOCK, PH.D., Professor of Economics, Mount Holyoke College; author *State Taxation and Personal Incomes.*

JEROME DAVIS, PH.D., Professor Practical Philanthropy, Yale University; Expert on Russian Affairs; author, *The Russian Emigrant,* etc.

PAUL H. DOUGLAS, PH.D., Professor of Industrial Relations, University of Chicago; author, *Wages and the Family, American Apprenticeship and Industrial Education,* etc.

ROBERT W. DUNN, research worker; A.B. Yale University; author, *American Foreign Investments, Americanization of Labor,* etc.

ARTHUR FISHER, A.B. Harvard University and Law School; former Professor of Law, University of Montana.

J. A. H. HOPKINS, Chairman Committee of 48; National Bureau of Information and Education.

CARLOS I. ISRAELS, A.B. Amherst College; Editorial Board Columbia University *Law Review.*

R. G. TUGWELL, PH.D., Associate Professor of Economics, Columbia University; author *American Economic Life, Industrial Coming of Age,* etc.; Editor, *Trend of Economics.*

CARLETON WASHBURNE, PH.D., Stanford University; Superintendent of Public Schools, Winetka, Ill.; author, *New Schools in the Old World,* etc.

Jurisconsult: SILAS B. AXTELL, J.D.; member International Seamen's Union of North America.

RESEARCH AND SECRETARIAL STAFF

MELINDA ALEXANDER, A.B. University of Montana.
MARGARET WOOD CARTWRIGHT, A.B. Urbana University.
MARGARET KENNEDY COYLE, A.B. Stanford University.
STANISLAVA PIOTROWSKA, Universities of Kiev and Warsaw.
SARA RAGOZIN, A.B. University of Wisconsin.
LOIS PERLMUTTER, A.B. University of Chicago.

RUSSIA AFTER TEN YEARS

INTRODUCTION

THE American Trade Union Delegation to the Soviet Union was organized as a result of the visit to America of A. A. Purcell, then president of the British Trade Union Congress and of the International Federation of Trade Unions, as fraternal delegate to the American Federation of Labor convention in the fall of 1925. Mr. Purcell visited twelve cities urging that American labor send a delegation to learn at first hand labor and economic conditions in Europe. Under the chairmanship of President L. E. Sheppard of the Order of Railway Conductors (who was unable at the last moment to go with us), the delegation as an unofficial group of trade unionists invited fourteen expert advisors in economics, sociology and education to join in the research. Several members of the research staff left the United States in June, others the first of July, and the delegation itself July 27th, returning September 26th, after spending a month in Russia.

The delegation planned to observe labor conditions in Great Britain, France, Belgium, Holland, Germany and Poland, with a detailed investigation of economic and social developments in Soviet Russia. Dictator Mussolini and Fascist Italy refused to permit the delegation to conduct research in Italy, but in all these other countries of Europe we received a fraternal welcome by the national labor movements, the International Transport Workers' Federation and the International Federation of Trade Unions, by labor party and coöperative leaders, and in several cases by members of the government. We cannot adequately express our appreciation to these friends

Routes of the FIVE PARTIES into which the DELEGATES divided.

Cities at which they stopped are underscored.

Map of Part of the Union of Soviet Socialist Republics Showing the Cities Which were Visited by the American Trade Union Delegation

and brothers for their courtesy, their hospitality and their efforts to give us full information about the economic life of their respective lands. We are especially indebted to the Polish Railwaymen's Union for entertainment and transportation across Poland, and to the All Russian Trade Union Council, whose guests we were during our entire stay in Russia.

The delegation also owes much to the many workers and liberal friends in the United States whose contributions, supplementing a nucleus from the Purcell fund, made possible its research. These contributions were made wholly by sympathizers in the United States. The further fact that various members of the delegation paid part or all of their own expenses helped to make this mission possible on a very modest budget.

The delegation gathered much material on labor and industrial conditions in Western Europe, but we do not feel that the time spent in these countries warrants a report on their economic situation. It was impossible not to discover, however, that wages in several of these countries are exceedingly low. Most of them lost a large part of their economic surplus by the world war and lack abundant raw materials for industry. All of them face a serious problem of unemployment. An understanding of the difficult position of labor in the rest of Europe is essential to a fair appraisal of the position and policies of the trade unions in Russia.

The delegation realizes that it could not learn "all about Russia" in the time at its disposal. Yet the fact that each economic specialist covered a particular field in which he was well-informed and put his research at our command; that the group divided into five parts, each traveling almost continuously for several weeks, covering thousands of miles—partly through country untouched by railroads; that we went where we wanted to go and saw what we wanted to see; that we visited Moscow, Leningrad, and seven other large cities as well as the great industrial center of the Donetz Basin, the Caucasus, the Upper Volga, the Ural mountains, the Crimea, the Ukraine, including

Odesssa and Kherson; that everything was open to us from the books of a factory to the office of the foreign minister; that we talked with workers, with leaders of both factions within the Communist Party, with former White officers and Mensheviks bitterly hostile to the government; that we had interpreters of our own and selected additional assistance carefully—led us to believe that we achieved a more reliable survey than any one could secure individually.

We must record the fact that the Russians made no apparent effort to hide the bad, although they displayed pardonable pride in showing us the best. Indeed, almost invariably, the officials who most impressed us with their ability and sincerity were anxious to hear our criticism of the weak points in the Soviet régime. There was no objection to our talking to any one, either through interpreters or in languages we understood. There seemed to be real readiness to help us get the facts. The request was repeatedly made by workers and officials that on our return home we simply "tell the truth about Russia." This duty we shall strive to discharge conscientiously.

A line running roughly through Berlin and Vienna divides Eastern Europe from Western. It marks off two civilizations. One is industrial, tidy, clean, composed. The other is agricultural, untidy, alternating a lavish splendor with down-at-the-heel drabness. In the latter area fall the Baltic and Balkan states, Turkey, Poland and Russia. To one who knows only Western civilization, the East is strange, uncouth, frequently unpleasant. It is a long, long way from Main Street.

It is therefore difficult to judge modern Russia honestly. Prejudices will be colored by many considerations which have nothing to do with the revolution; which are implicit in the East, whatever the form of government. It is well nigh impossible to discount those prejudices, unless one knows the East, or has lived in Russia under the Czar, and can thus soberly judge what is with what was, or compare what is with a like civilization next door—say Poland.

Most of us did not have this advantage. Two days in Poland were not enough to change the outlook of a lifetime. We came suddenly into a strange land. In France, Germany, Belgium and Holland we recognized a certain basic kinship, but Russia was a different world; its people lived differently from our people; its ways were not our ways.

Measured by the standards of such a city as Philadelphia, Moscow, with an equal population, is at once more gorgeous and more ramshackle. Noble spires and peeling stucco, cobblestone streets, swarms of booths and peddlers, motors one to the block instead of fifty, few vivid window displays, no smartly tailored people, cheap hats and cheap clothing, not a soda fountain in the town, nor a decent cigar . . . men in blouses, bare-legged peasant women in shawls, ragged urchins with incredibly dirty faces, soldier boys in rusty khaki singing magnificently as they march, regal palaces slightly mildewed at the corners, an opera house across a flowered square, immense, spotless and shining, a disfigured beggar mumbling for bread, brown naked men swimming in the river or leisurely sunning themselves on the banks, noble park ways and uncut grass, great busses crowding ancient droshkys, and over it all a faint yet remorseless odor not as vivid as that of Constantinople or Cairo, but alien and unpleasant to Western nostrils.

Granting that it is the East, Russia as we found it—over many thousand miles of territory—was emphatically not a doomed or disordered country. The people were on the whole adequately if not fashionably dressed. There was plenty to eat, and from the standpoint of sheer biological well-being, the urban population seemed far better off than that of London or of Paris. It is a hardy, healthy race. There was plenty of evidence of poverty, and in Moscow terrible overcrowding, but on the whole little to compare with the blighted slum districts of many Western cities. Everywhere we went we saw evidence of building activity, repairs and renovations to many old houses, new apartments, new cottages, sometimes a new in-

dustrial town. Gayety was at a discount, except in certain areas in the south; but then have the Russians ever been gay in the sense that the Parisians are? Certainly there were no signs of any collective sullenness, bitterness, or resentment.

The city streets were full of people. The majority of stores were open with goods on their shelves and plenty of business. Street cars were running regularly; in nearly every case the railroad trains were strictly on time. Streets were lighted at night, the telephone service in Moscow was excellent, theaters and opera were well attended—often crowded. Moving picture houses were frequent and busy, crews were rowing on the river, aërials were stretched from many housetops, bands were playing in the parks, women shrieked as they coasted down the shoot-the-chutes in Leningrad's White City, museums and picture galleries were everywhere open and extensively patronized, and everybody smoked cigarettes—in incredible quantities.

Above all, the country seemed alive; a little shabby amid its splendid relics, but vital, arresting, and in some indefinable way, disciplined and strong. No one of us left Russia without the phrase escaping us: "Heaven help the nation, or nations, that try to conquer this people." Mingled with the strength was a vague atmosphere of fear which made us sense that for this discipline a price had had to be paid.

But no one of us during our entire stay saw any act of violence, any breach of the peace, any cruel or unusual behavior. Russian chauffeurs when showing Americans that they also can twirl a wheel, do their utmost to run over their comrades and brothers, but, to our infinite astonishment, they never quite succeeded!

In brief, Russia, to-day, is carrying on the business of living in a reasonably normal and orderly manner. It is as far from a hell of degeneracy and wretchedness as it is from a Utopia.

ECONOMIC PROGRESS

THE standard of living in Russia is far below the American average. It is not, however, below the Russian pre-war average. Late in the year 1926 total industrial production reached the level of 1913. At the present time the output per capita of population is slightly ahead of the 1913 standard for all industry combined, measured both in physical volume and in pre-war rubles.

This is a very creditable showing. Following the disorganization of the war—which still handicaps production in the rest of Europe—Russia, from 1917 to 1921, plunged into the abyss of revolution, civil war, foreign invasion on a dozen fronts, and to cap it all a devastating crop failure and famine. In 1921 production had collapsed to a tenth of the pre-war output. Factories, public utilities, railway lines, harbors had been gutted and destroyed. The whole mechanism of trading, exchange, and credit had been wiped out, partly by the application of certain unworkable theories, partly by the relentless course of material events.

In this dark hour Lenin declared the New Economic Policy (NEP), which modified the more visionary theories and set up a qualified form of socialism which had some chance of functioning. From that zero point economic recovery has been phenomenal. Industrial production has increased by leaps and bounds, with agricultural production following behind. From a state of utter disorganization and ruin, the economic structure has come back to normal in six years. This is an achievement for which history records few parallels. For the West it would be a seven days' wonder; for the East it is a miracle.

The present volume of industrial goods, while surpassing the 1913 output in money, is of a different character. It comprises more machinery, more necessities, fewer comforts and luxuries than the pre-war total. Moreover, the quality of

these goods, generally speaking, while markedly better than for any year since the revolution, is still decidedly below the 1913 level.

The present output is primarily addressed to the building of new industrial plant, including transportation facilities, new housing for the workers, food products and plain necessities for the workers and peasants. As a result, the urban workers are undoubtedly better off than in 1913; the peasants are not quite so well off, in respect to the amount of industrial goods which they receive, while the industrial plant in the form of new capital outlays is growing at an unprecedented rate. About the beginning of 1925 the new capital put into industry began to exceed the annual rate of depreciation, and to show a net increase in the value of the nation's fixed assets.

Meanwhile the amount of new capital and its division between the various industries is decided by what is probably the most interesting technical body now functioning in the world, the Gosplan (Government Planning Commission). The guiding principle of this board of industrial strategy is to build up those industries—such as coal, iron, waterpower, machine-making—upon which the other industries depend, financing this development, so far as may be, from the surplus earnings of the more profitable industries, such as oil, textiles, rubber. In this way a balanced national economy can be achieved, overextension in certain lines prevented, the business cycle eliminated, with an enormous saving of economic waste and loss. Only time can measure the final success of the Gosplan in this stupendous undertaking, but its tangible effect on industry already is far-reaching, and as far as we could learn, effective.

According to the very latest estimates (published September 10, 1927) total production for the current fiscal year, ending October 1, 1927, will exceed that of the previous year by about 15 per cent. On the Gosplan basis substantially the same increase is planned for the coming fiscal year.

On the whole then, the economic structure is functioning as

well as one might dare to expect, considering the utter chaos from which it started. Poverty is far from eliminated, unemployment is a very serious problem, new capital, credit, housing, an adequate supply of needed imports, power development—are all pressing and urgent challenges to the present economic administration. But at least a normal level has been reached and each year shows a gain.

At the present tempo, failing foreign wars and "Acts of God," the Gosplan five-year program calls for a 78 per cent increase in industrial production and a 30 per cent increase in agriculture by 1931. That there is a more than fighting chance to realize such increases is evidenced by the close correlation of the actual figures to the plans, as achieved in the first year of its operation.

If they are realized, a delegation visiting Russia five years hence may perhaps forget the East, and begin to apply some American standards in its judgment of Russian economic and social life.

THE TRADE UNIONS

The Soviet trade unions are revolutionary bodies, with constitutional preambles much like that of some of the militant socialist unions in America. They are not interested solely in a fair day's wage for a fair day's work. They stand on the basis "of the international class struggle of the proletariat," and aim "to foster the development of the world-wide revolutionary class struggle for the overthrow of capitalism and the realization of socialism through the proletarian dictatorship."

The Soviet unions are thus more than "socialist unions" in the continental sense of the term, for they have already passed through their period of revolutionary conflict and are now devoted to the business of consolidating the state power of the workers and peasants and the building up of a non-capitalistic society.

In addition to these general aims, the more immediate day-to-day objects of the unions at the present stage of their development are: To protect the economic and legal interests of their members and to improve their material conditions; to raise the general cultural level of the workers; to participate in the organization of production in their particular trade or industry.

To carry out these aims, they make collective agreements with the employer, whether state trusts or private concerns. They help in the enforcement of the labor laws. They draft and secure the adoption of labor legislation. They organize special funds and traveling aid funds. They encourage the growth of mutual aid societies among their membership. They defend the workers before the various conciliation and arbitration boards and lead them in their disputes with both state and private management. They declare and lead strikes when necessary to achieve their ends. They work with governmental and coöperative institutions in the construction of houses, the organization of public health work, playgrounds, nurseries and

similar institutions. They send their representative to sit on the various government bodies such as the Commissariat for Labor, the Commissariat for Health and the Commissariat for Education. They organize a wide variety of cultural activities and schools, and carry on an extensive journalistic and publishing work. They aid and assist the consumers' coöperatives.

In addition to these functions the Russian unions carry out the same line of routine activity as do progressive, energetic unions in any capitalist country—with this major distinction, they pay much greater attention to production and the development of industry. On this point the interests of the unions and the interests of the Soviet government are practically identical.

The total number of members in all the twenty-three national unions is now over 9,827,000. The largest group is industrial; next in line is the group working in government public and trading institutions. Those following are, in order, transportation workers, agricultural and forest workers and those engaged in the building trades.

In order of affiliated membership, the following unions stand at the head of the list: 1. Land and Forest; 2. Civil Service and Commercial employees; 3. Railroad workers; 4. Metal workers; 5. Textile workers; 6. Educational workers, and 7. Building workers. The first two have each over 1,000,000 members.

The great majority of the union members (7,045,800) live in Russia proper (R. S. F. S. R.); nearly 2,000,000 live in the Ukraine, and much smaller numbers in the less industrial districts.

The latest figures show that 92.7 per cent of all the eligible workers of the country are in the unions. Possibly 50 per cent of land and forest workers are in the union, namely, 1,120,000, but the total number of such workers hired by the individual farmers throughout the country is not definitely known.

The highest percentage of organization obtains among the art workers, the printing trades and medical workers (com-

paratively small unions), while the commercial workers, paper workers, leather workers and catering and hotel workers all have 95 per cent or over.

Strikes and Disputes

The first questions asked by labor men on arriving in Russia are: "Do the workers have the right to strike? How are labor disputes settled?"

We are satisfied that the workers have the legal right to strike, that there is no anti-strike law, and nothing resembling American injunctions to curb strikes and the activities of the unions. The hiring of strike-breakers is prohibited by law. Anti-labor judges, courts and government officials are naturally unknown, since the officials are also workers.

However, strikes are not frequent. This is because, as one of the workers told us, "We see no reason for striking against ourselves." From the general union point of view it is naturally desirable to avoid disputes when the costs are so clearly borne by the workers themselves. The Soviet government is a workers' régime, and trade unions participate in the government. The leaders are able to look upon strikes not as a weapon of class conflict, as in other countries, but rather as a warning signal that the unions are not responding to the desires of the workers. When a strike occurs, they quickly see to it that conditions out of which it grew are remedied and that where the local trade union officials are responsible for the situation they are either severely reprimanded or removed from office.

Of course, strikes in privately owned industries are quite another matter. The Russian unions are not slow to strike if they see their interests jeopardized by a private factory owner or concessionaire. There have been a number of such strikes in the last few years.

The organs of mediation and arbitration to take up and settle the disputes arising between workers and management

both in government and private industry are, in their order of jurisdiction, the standardization-conflict committee in the factory, the mediation chamber, and the arbitration board. The function of each of these is suggested by its name. The decision of the final arbitration board is binding by law only on the management. The union can discipline its workers if they refuse to obey the decisions of the board, but the state itself cannot compel compliance with arbitration decrees.

Reports to the last congress of the trade union in December, 1926, showed that the general betterment of the economic life of the workers in the government factories had substantially decreased both the number of strikes and the number of working days lost by strikes. The strikes which occurred were usually not extensive. They broke out in sections or departments of plants and represented the protest of workers against certain conditions peculiar to the craft or department. The union, of course, had always tried to settle the strikes, and had succeeded in 75 per cent of the cases. The remainder were settled through direct understandings between the strikers and the managements of the enterprises involved.

Are the Trade Unions Controlled by the State?

The unions have a very definite relationship to the state, but the government does not control the unions. It would be more accurate to say that the trade unions control the government. Yet neither statement expresses the truth. Under war communism the trade unions were practically a branch of the state; membership was compulsory and dues were checked out of the pay envelope. But with the creation of the state trusts and corporations under the New Economic Policy, the unions took on defensive functions similar to those of unions in other countries.

The unions have always been clear in their avowal of their determination to support the soviet government in industrializ-

ing the country and in "building up socialism." Believing in the philosophy and practice of socialism, they naturally support the government they have created and defended with gun in hand.

When the Russian workers whom we met in factory, shop and mine were questioned as to whether their unions were "controlled" by the government, their answer was usually an amused smile or a complete failure to understand the point of view of the questioner. "It is *our* government. They are *our* unions," was the reply in many cases. "This is a dictatorship of the proletariat, not a capitalist country" was another. "Our government never broke a strike," or "There are no injunctions and anti-trade union laws in Russia." The workers look upon the unions as an independent aid to the government and upon the government as the instrument of the workers' power in the field of politics and international relations. Many of the trade union leaders hold important posts in the government, and the will of the Central Council of Trade Unions (C. C. T. U.) in the matter of appointments to certain public offices is absolute and binding.

Trade Union Structure

There are only twenty-three national trade unions in Soviet Russia. All of these are organized on industrial lines. There is no such thing as a craft union, no carpenters' union, plasterers' union, pressmen's union or weavers' union. There is a building workers' union, a metal workers' union, a textile workers' union, a printers' union, and so on. The Russian workers told us that their unions have profited by observing the craft unions in other countries as well as in their own where, even after the revolution of 1917, a wide variety of small craft unions had come into existence. They modeled their unions on industrial lines, apparently a necessity where workers control industry. However, in some of the unions there are special

craft or departmental groups associated chiefly for scientific purposes, such as the engineering and technical sections of practically every national union.

The Factory Committee

The foundation stone in the trade union structural organization is the factory committee. These committees consist usually of three union members in a factory having from 25 to 300 workers, five members for those with 300 to 1,000; seven members for those from 1,000 to 5,000 and nine for all those having more than 5,000. The number is much greater in some unions, the Central Committee fixing the size. They are elected usually at general meetings of the factory workers where every worker, union or non-union, if he is eligible for the union, has the right to cast a vote. Voting is not by secret ballot but by a show of hands. Only union workers may be on the committee.

The factory committee has certain members, chosen by the committee itself, who devote their full time to the work, their regular wages being paid to them while engaged in this service. In a typical factory of more than 1,000 workers there is a factory committee of three, one member of which is usually called the president, another the secretary and the third usually the chairman of the sub-committee on the protection of labor.

The committees hold office for one year. However, their work may be reviewed and a new election held at the end of six months if the workers demand it. And in most unions the committee, or individual members of it, may be recalled and a new election held on request of one-third of the members.

In every factory having a factory committee we found the following sub-committees at work: protection of labor, culture, standardization-conflict, and production. A member of the committee usually heads each sub-committee. The other members are either from the committee or are appointed by it from the ranks of the workers.

The chief functions of the sub-committees are the following: The protection of labor committee carries on all the work connected with the protection of the worker against ill health and industrial accidents. It sees to it, for instance, that laws relating to sanitation and the guarding of machines are carried out to the letter. It directs the sending of workers to hospitals, rest homes and sanitariums; the erection and maintenance of communal baths and laundries; supervises children's institutions operated in connection with the factory; and interests itself in the establishment and maintenance of coöperatives and workers' apartment houses.

The culture (or education-culture) committee carries on a wide variety of activities intended to raise the cultural level of the workers, to increase their industrial qualifications and to enrich their lives, during work and leisure. It organizes classes, circles, lectures, concerts, movies, libraries, schools, clubs, sports and physical-culture activities, excursions, reading rooms, choirs, and theatricals. It takes charge of the expenditure of the money paid by the industry to the union for culture purposes under the collective agreement.

The standardization-conflict committee is usually represented on the workers' side by two or three of the most intelligent men in the factory. Upon it falls the heavy responsibility of bargaining for wage rates and settling disputes, either individual or collective.

Production committees are now at work in practically every industrial and transportation unit. They are usually composed of from 3 to 15 members chosen by the factory committee. They include active workers, representatives of management and the technical personnel. They carry out the production work described hereafter.

The factory committee plays a very important rôle in the workers' lives. It is subordinate to the higher trade union organs, but within its sphere it is the free and powerful agent of the workers, defending their rights and representing their

everyday interests. Because of the nature of the Soviet state and the organization of economic life in Russia, factory councils in no other country have as much power or perform more vital services. They have no direct control or responsibility in management, but they operate in various ways to check those tendencies toward bureaucracy, which are especially dangerous in a socialist state.

Factory Delegates

To keep the rank and file of the workers better informed concerning the activities of the factory committees and to bring forward more effectively the desires and demands of the workers, factories with more than 200 workers have factory delegates. These are chosen every six months by the workers—one delegate to about 10 workers. The delegates make formal written reports to the workers whom they represent and hold a general delegates' meeting twice a month. But the chief service of the delegate is to speak for his small group of workers and to make their influence felt on the factory committee and in its activities. He also interprets the acts and decisions of the factory committee to the rank and file. On January 1, 1925, there were 200,000 of these delegates in the U.S.S.R.; a year later there were over 870,000.

"Actives"

The active workers, or the "actives" as they are called, are those union members who hold some position of responsibility, no matter how low, in the trade union system. They are not the hired employees and elected officials of the trade union, but only those who are working in the plant. Most of them do full time work at their regular jobs and give their spare hours to union activity.

The number of those "actives" varies from union to union. Some unions claim as high as 13 per cent of members in the ranks of the factory committee members, sub-committee mem-

bers, dues collectors, delegates, club leaders, and others who make up the list of the "actives." The sugar workers' union, for example, claims 35,000 out of less than 100,000 members. There are nearly 2,000,000 "actives" in the whole U.S.S.R.

Separate Industrial Unions

Before estimating the character of the work carried on by the inter-union organizations we may note the structure of the 23 separate unions whose combined jurisdiction covers all those who work for hire on Soviet territory.

The factory committee, as we have noted above, is the primary organ of the union. The next highest organ varies in different unions. In Central Russia where the gubernia (province) is the larger geographical division, the uyezd is the next highest organ above the factory committee. (The uyezd might be said to correspond roughly to an American county, while a gubernia or province could be compared to a state.) The order of importance, then, would be—factory committee, county conference, provincial congress, and finally, the national or federal congress of the industrial union.

At its general meetings of workers each factory elects delegates to a county conference of the union. This conference, in turn, elects the county administration of the union. Above the county is the more important provincial administration, organized at annual congresses of delegates elected straight from the general meetings of the workers in the factories. These provincial congresses also elect delegates to the biannual congress of the national industrial union. The national congress in its turn chooses a Central Committee which is the supreme power in the union between sessions of the congress. A full meeting of the Central Committee elects a presidium or group of officers who direct the work of the national union between sessions of the Central Committee.

The provincial department of the separate union has very important functions. In addition to receiving the dues from

the factory committees, it directs all the work of the county under it as well as the work of the factory committees. It has the right to change or annul the work of these lower organs, just as the Central Committee of the national industrial union has the right to overrule the decisions of the provincial organizations if their decisions run counter to the lines of policy laid down at the national congresses. These provincial offices create their own cultural, wage, economic and organization departments. They also set up special unemployment registration bureaus, information bureaus, book distribution departments and libraries, statistical departments, legal aid bureaus, engineering and technical sections and similar bureaus on a gubernia-wide scale.

The national industrial unions, likewise, have the same departments and bureaus in operation, only they serve the whole U.S.S.R. and supervise the lower union organizations, including the provincial administrations. All the national unions have their headquarters in the Palace of Labor in Moscow, along with the offices of the Central Council of Trade Unions.

Inter-Union Organization

The highest organ of the trade union movement in the U.S.S.R. is the All-Union Congress of Trades Unions which meets every two years to decide general policies and to select an executive committee of about 170 members known as the Central Council of Trade Unions (C.C.T.U.). This council chooses a presidium to carry on its work between sessions of the council. The presidium, corresponding in a general way to the Executive Council of the American Federation of Labor, puts into effect the policies determined upon at the congresses and at the sessions of the Central Council.

The Central Council coördinates and directs, in a general way, the work of the 23 vertically organized industrial unions already described. It also coördinates and leads the work of the lower inter-union organizations such as the Councils of

Trade Unions in the provinces and other variously named territories of the U.S.S.R. For example, the Moscow Provincial Council of Trade Unions or the Ural Territorial Council of Trade Unions are under the general supervision of the C.C.T.U. Such a Council of Trade Unions unites all the separate unions in the given area. It represents the joint interests of the unions in its territory on various governmental and economic bodies where counsel with the unions is always taken.

The functions of such an inter-union body are similar to, though vastly more extensive, than those of a State Federation of Labor in the United States.

The 1,600 delegates to the All-Union Congress are chosen not at the lower inter-union congresses or at the national congresses of the separate industrial unions but at the lower provincial, or territorial, congresses of the separate unions. For each 10,000 members a union is entitled to one delegate. However, for the thinly populated sections of the country where no one union in a district contains 10,000 members, the delegates may be elected at the Inter-Union Congress.

The Distribution of Power in the Trade Unions

This rather complex structure is called in Russia "democratic centralism." In it the supreme power rests with the C.C.T.U. elected every two years at the All-Russian Congress of Trade Unions. All the individual national industrial unions and the lower inter-union bodies are subordinate to it and must obey its decisions. The next highest authority is the Central Committee of the national industrial union elected at the national congress of that union. A central committee has power over its subordinate provincial and other branches. Only the central committee can expel or discipline such a provincial organization. It cannot be done by a lower inter-union organization: As a matter of fact, the power to expel is seldom, if ever, exercised. It should be noted in this connection that the central committee of a national union cannot simply dissolve

a local administration and appoint its own candidates to succeed the unsatisfactory officers. It must call a new congress of delegates elected directly from the workshop. The congress elects the new governing body.

The power to make collective agreements is vested usually in the higher bodies, such as the provincial, but the factory committee possesses the full right to discuss the agreement in advance and also to work out with the management of the enterprise the local piece rates and production standards. For those industries, such as railroads, which are operated on a national scale, the central committee of the national union will only sign the collective agreement after it has been fully threshed out by all the local union organs. Usually when the provincial organization makes the agreement, it receives its general instructions from the central committee of the national union and attempts to carry them out in accordance with the requirements of the local situation. Appeals over the appointment of a trust director, for example, arising between the provincial department of a union and a government trust, are usually carried up for settlement to the central committee of the national union and the higher economic organs.

Union Finances

The union member pays his dues, amounting to 2 per cent of his earnings, to a voluntary collector appointed by the factory committee. The factory committee, in turn, gives the dues in full to the higher union body. The factory committee itself is supported by the enterprise, receiving a given percentage of the payroll. The total income of the Russian trade unions during the last year amounted to approximately 60,000,000 dollars.

The provincial union needs money for its various departments—cultural, wage-economic, organization, and protection of labor. It also sets aside reserves for cultural work and

for unemployment. It pays to the national industrial union of which it is a part, from 5 per cent to 25 per cent of its income, and also 10 per cent more to the inter-union organization. The amount of its income spent on administration is comparatively small. It is estimated that these provincial unions return nearly 50 per cent of their funds for mass work and as contributions to various reserves and funds of immediate value to the workers.

The national industrial unions thus supported by underlying provincial organizations must in turn pay fom 10 to 15 per cent of their income to the Central Council of Trade Unions. They also set aside special funds for cultural work, aid for the unemployed, student assistance, medical work, rest homes and sanatoria. Small strike funds are also concentrated in their hands.

The aim of the unions is summed up in popular posters issued by some of the industrial unions reading "Less for the union apparatus, more for the service of the union members." In this connection it may also be noted that the salaries of the highest trade union officials in the areas like Moscow, where the cost of living is highest, is a little over 112 dollars a month. Provincial and lower officials receive less. There seems to be no tendency to develop high paid officials receiving substantially more than the skilled workers whom they represent.

Membership Qualifications

Any manual or clerical worker may join a union irrespective of race, sex, nationality, age, color or political views. Private employers of labor, self-employed persons and those who are unemployed before joining any union are not eligible for membership, nor are other classes who are deprived of the suffrage. A member of one union who by reason of occupation becomes a member of another union is transferred without any further admission fee into the other union and without any loss of

seniority. No worker, however, can be a member of more than one union at a time.

Workers join the union voluntarily. There is no "closed shop" as the term is used in the United States. There is, however, a "preferential shop" in which under the collective agreement, the employer agrees to hire union members first if they can be secured.

Production Work of the Unions

"Union-management coöperation" is a fact in Soviet Russia. They condemn the B. & O. plan and other such experiments in America but have introduced in their own plants the most friendly collaboration between the technical managers and the trade unions. This emphasis on the "rationalization" of the industrial process characterizes the Russian unions from the smallest factory committee to the Federal Council of Trade Unions. At the last congress of the unions in 1926 the resolution of this question read in part as follows:

> "The industrialization of the country, the need for capital and the raising of the material and cultural standards of the workers requires the further raising of the efficiency of work. It requires the constant attention of the trade unions. . . . The working class and its trade unions by working steadily and methodically for the development of industry and the whole soviet economy not only creates the conditions for the further raising of the material and cultural level of the worker's life, but also insures the success of the building of socialism in our country."

To carry out the resolutions on production, passed at this as well as at previous All-Russian congresses, the unions, through the factory committees, have organized in all state factories and enterprises production committees. There are over 50,000 of these committees in the U.S.S.R. They have also called production conferences, the purposes of which are

to "draw more workers into the building of our economy," to teach them more about production, improve their qualifications, to stimulate invention and to establish a stronger social control over the economic organs of the state.

Everywhere we went we found these production conferences at work, composed of all the workers in the factory who show a voluntary interest in increasing and improving production. In the large factories these conferences are also organized on a sectional or departmental basis.

The production committee, composed both of workers and technical personnel, helps to arrange the program for the production conference and also sees to it that its resolutions are "put into life."

We found that these factory and departmental production committees have largely eliminated the old conflicts and frictions between the workers and the technical men. This is partly because the specialists have become absorbed in the fascinating job of industrial reconstruction, and partly because the unions have trained thousands of their own members for technical posts. Chain systems, mechanical operations, "straight-line" production, specialization and standardization are a part of their dream of an industrialized Russia, just as they are the topic of constant discussion and planning among the union workers.

In order to attract the engineers and technical specialists into the activities of the unions, special Engineering and Technical Sections are formed both by the national and district organizations. These sections usually hold national congresses prior to the calling of the regular union congresses. Although they have their own funds, they have no separate craft autonomy and work under the control of the central committee of the national union. Many of these sections publish special engineering and technical journals for their membership.

Summarizing the work of the production committees and conferences during the past two years, President Tomsky told

us that they have "increased the output of the individual workers, facilitated inventions, and helped in the rationalization of industry and the organization of work by scientific methods. They serve to free the plants from many petty defects in the work and organization which have tended to decrease output."

This production work is one of the most stimulating and novel tasks of the unions in Russia. It is capable of unlimited development. And it brings out clearly the part that the trade unions are playing in the whole economy.

Cultural-Educational Work

We asked Tomsky, the president of the C.C.T.U. what was the most important achievement of the unions during the last few years. His answer was:

> "The most notable development in the Russian trade union movement is the tremendous progress of cultural activities. Through these activities great masses of the working class are aided in their cultural development. Tens of thousands are being prepared for participation in the government as well as in economic and trade union life. They are brought nearer to the realities of life, and that is the most important factor. Such a development exists nowhere else. No union abroad is doing a tenth of what we are doing in that direction."

After examining the cultural-educational work of the trade unions we are inclined to agree with Tomsky. From the bottom to the top of the union apparatus the cultural-educational work is interwoven. The union leaders insist that it is incorrect to think of workers' education as a separate departmentalized affair. They contend that every branch of union work is educational, and that every "active" in the union is really an educational worker, so that through all the departments of the union runs the educational function. The educational work is not regarded as something apart from the union

to be patronized and supported like an outside agency. Instead it is a vital, organic part of the work of every department of the organization.

Without going into the details of the various methods used by the unions to give their workers political, trade union and technical education (the three categories into which the unions divide their teaching activities), we may summarize some of the services and facilities enjoyed by the average union member:

1. If he is illiterate he may attend school or night class for the "liquidation of illiteracy." The unions have made particularly good progress for the last few years in eliminating illiteracy among their members.

2. He may become a member of a factory or union club. Within these clubs, now organized in practically every factory, he may attend discussions or join a "circle" to study almost any subject in which he and his union brothers are interested, from spelling to international politics.

3. In the clubs and reading rooms are "red corners" where educational classes are carried on as well as amateur dramatics, radio, moving pictures, "loud readings" and "living papers" (the acting out of contemporary news).

4. Libraries are actively used by the workers, including factory libraries, those of separate unions, and inter-union libraries.

5. The worker secures reduced rates to regular theaters, concerts, entertainments and dramatic performances. He also participates in excursions to museums and other places of cultural interest. He participates in all sorts of theatrical and musical organizations and performances.

6. He frequents summer gardens belonging to his union where entertainments and lectures similar to those in the clubs are carried on.

7. He goes to both technical schools in the factory and special technical schools. Through the educational depart-

ment of the union he qualifies to enter the labor high schools (Rabfacs) and higher educational institutions.

8. He takes part in all sorts of sports and physical culture games. Some of the finest moderate sized sport stadiums in Europe are owned by the Russian unions. The workers participate in handball, field events, water sports and gymnastics.

9. He participates in editing wall newspapers (special factory papers containing news of the shop, criticism of the management, the union leaders, etc.) and also acts as a correspondent to his own union journal. All unions have official organs, while some operate daily newspapers.

All the educational work is supported from two sources—the funds supplied by the government trusts and economic institutions under the collective agreement, and special funds built up by the unions out of a part of the income from members' dues.

One trade union leader expressed the attitude of the unions toward cultural-educational work when he said, "We plan to be with the workers every hour of the twenty-four. At work, at play, at home, in the club, the union seeks to penetrate and influence the life of the workers."

The cultural work of the unions is one of the most impressive achievements of the new Russia. There is no precedent or parallel for it anywhere in the world to-day.

WAGES

THE first impression given by the study of the wages in Soviet Russia is that they are extremely low. Thus the average earnings of the two and a half million workers engaged in manufacturing and mining in May, 1927 was 62.6 present-day rubles, or $31 a month; for transportation 70.5 rubles, or $35 a month; for government employees, in 1926, 65.3 rubles or $31.50 a month. The average for all industrial workers is 64 rubles, or $32 a month. This is in sharp contrast to the average of the United States, which will run from $100 to $110 a month, and is also below the general level for most of the industrialized countries of Europe. From this, the superficial conclusion has frequently been drawn that the present régime is responsible for these low wages. This is erroneous. Wages in Russia have always been low. The result of the revolution on the well-being of the Russian workers must be tested not by contrast with American standards, but by the relative economic position of the workers now as compared with that before the war.

Fortunately it is possible to make such a comparison. The Russian census for 1913 shows that the average earnings for all large manufacturing and mining industries was 24 pre-war rubles a month. Another independent study arrived at 25 rubles a month. Thus if we take the average money earnings for all manufacturing in 1913 as 100, in May 1927 they had risen to 250. In transportation, where a million are employed, the increase is much smaller, the figure being 187. The properly weighted average for both, covering three and a half million workers, is 230.

The important question, however, is whether the worker can buy more with his wages now than he could before. To determine this the movement of living costs must be measured.

Fortunately, a very accurate index of the cost of living is kept, figures from 221 cities for 40 commodities, weighting each by its relative importance in the family budget of the working man. If we take 1913 as 100, the index for the country as a whole in May 1927 was 203. The relation between the present cost of living of 203 and the present money wage of 225 gives an actual increase in real wages of about 12 per cent. In this figure the low rents, but not free rents, are included, and such considerations as free work-clothes, shoes and tools for the miners are not included.

Additions to Wages

The increasing purchasing power of the workers' pay envelope since the revolution does not, however, include all the material progress which they have made. They now receive gratuitously a number of services and benefits which they formerly either had to pay for or were totally unable to secure. These should be added if we are fully to measure the improvement in the material conditions of the industrial wage-earners.

The first noteworthy addition is the protection given by the system of social insurance. Contributions to this fund are made only from industrial budgets, and now amount to 13.2 per cent of the pay roll. After deducting the amount spent on administration, slightly over 12.5 per cent is actually used for the workers.

A second item is that of vacations with pay. These amount to approximately 5 per cent of the working time. Thirdly, the workers have gained by the utilization of the homes and country estates of the former aristocracy as indoor and outdoor clubs, rest homes and sanatoria. It is difficult to place a money estimate on the yearly value of the services which the workers secure in this fashion, but it is considerable and probably amounts to several per cent.

Twenty per cent of the industrial workers are furnished with

absolutely free rent by the state trusts. Since housing formed approximately one fifth of the working class expenditures prior to the war, this is equivalent to a 4 per cent increase in average purchasing power for the workers as a whole. Greatly increased sums are also now being spent on health by the local government authorities which do not enter into the social insurance budget and hence have not previously been included. There should also be added the reduced prices on theater tickets which are obtained for trade union members, amounting to from 40 to 75 per cent of the box office price and totaling several million dollars a year.

On the whole, these additions to the workers' income which are not put in his pay envelope will amount to at least 23 per cent. When to this is added the 12 per cent increase in the purchasing power of money earnings, there is a total increase of 35 per cent above the pre-war level for 3,600,000 industrial workers. Comparative figures are not available for other classes of workers.

Furthermore the average length of the working day has decreased by approximately 25 per cent from 9.9 hours a day to 7.4, which has meant a more than proportionate increase in the amount of leisure available for the workers. For if a ten-hour day leaves but two and a half hours for recreation or improvement, a seven-and-a-half-hour day will leave five hours for these purposes and thus double the amount of free time.

Total Wage Increase Per Hour

The salient fact thus emerges that the Russian industrial workers are receiving approximately 35 per cent more commodities and services with at least a 25 per cent shorter working week. This means that for each hour of working time they are obtaining approximately 80 per cent more purchasing power than before. It is therefore not an exaggeration to state that in no country since the world war have the industrial

wage earners made the relative progress which has recently been made in Russia. The workers are better fed than before the revolution and are buying new articles of clothing and other commodities which they formerly did not purchase. Departments of the government and of the trade unions take great pains to disseminate information concerning the values of recreation and out-of-door life. Every industrial center of any size has summer parks and out-of-door clubs, which, from all observation, workers are enjoying to the full.

To the above conclusions, which are based on what we believe to be authoritative figures, certain qualifications, not susceptible to statistical measurement, are in order. First, the quality of the current industrial output, textiles, shoes, etc., is on the whole, poor, and universally agreed to be below the pre-war level. Second, we should not lose sight of the fact that to date, in those facilities which the workers use—old houses, parks, streets, rest homes, sanatoria—total depreciation may not yet be covered by the aggregate outlays for new construction and repairs.

In so far as this be true, it acts as an offset to a computed increase in real wages. Also relatively high wages ought not to be confused with a high standard of living for the whole people. Unemployment is seriously prevalent; high wages for one individual may still leave the family in difficult circumstances.

LABOR LAWS AND SOCIAL INSURANCE

Hours of Work and Rest

Before the war the Russian worker labored an average of 9.9 hours per day. In some industries, such as coal mining, the 12-hour day was actually in force. A considerable amount of overtime lengthened still further the actual working day.

All this has been changed by the revolution. The Labor Code of Russia fixes eight hours as the maximum day's work. Since it is provided that there must be 42 hours of continuous rest at week-ends or on the occasion of holidays. the work day on Saturday is only six hours.

Workers in especially disagreeable or dangerous occupations are granted a still shorter work day. Engraving and lithography, together with the more objectionable jobs in the tobacco industry, have a seven-hour day; the work day of coal miners and indeed of all underground workers is six hours. The hotter jobs in the glass industry and in zinc smelting have also a six-hour day; in the manufacture of lead substances only three hours of work are required. This is thought necessary in view of the very definite health hazard. Office workers are employed for six hours a day and 36 hours a week. This is due more, however, to the historical conditions than to the irksomeness of the labor.

The actual working day is frequently shorter than six hours. The six-hour day in the mines is from bank to bank, or from the mouth of the mine to the mouth of the mine. Since it generally takes half an hour or more for the miner to get to the place of work, this means that he spends not more than five hours at work. We also found it was the practice around the glass furnaces and blowers to take periodic rests amounting to one third of the time, and so, in practice, to be at work only four hours a day. It is also generally the custom to have

alternating gangs of workers at the hot rolling machines, so that although the worker is in the rolling mill for eight hours, he is at work four hours.

There are also nominal eight-hour positions at which the lunch time is included, so that the net working time is but seven to seven and a half hours.

Because of the difficulty of fixing rigid maximum hours for agricultural workers, domestic servants and seasonal workers designated by the Commissariat of Labor, longer hours are permitted when fixed by mutual agreement of employers and the unions. This gives the unions the task of keeping the hours for these workers down as far as possible.

These are the maximum normal hours for various occupations. Overtime is permitted in certain cases provided that it does not exceed 120 hours per year, nor average above two hours on any two successive days. The first two hours of overtime are paid for at the rate of time and a half, and succeeding hours at double time. That the permission to use overtime is not being abused can be seen from the fact that even in 1923 and 1924, when the economic situation was more difficult and overtime was consequently more resorted to, the overtime amounted on an average to less than three-tenths and two-tenths of an hour daily. To-day the work day in manufacturing averages 7.6 hours. When the six-hour day in mining is considered, together with the deductions which have been mentioned, it is probably conservative to estimate that the actual working week of the average Russian industrial worker is somewhat under 44 hours. This is a shorter work week than we have in the United States.

The foregoing hours of work are for adult males. Children under 14 years of age are prohibited from working in industry and those from 14 to 16 are only allowed to work four hours daily, while those from 16 to 18 are on a six-hour day. Many factories have set up schools in which these juveniles are given training during the hours in which they are not employed,

nearly 100,000 being given such education last year. In order to prevent the employers from refusing to hire juvenile labor because of these restrictions and hence swelling the ranks of the unemployed, firms are required to have these young workers form 10 per cent of their force.

Juveniles under 16 are prohibited from working at night between the hours of 10 P.M. and 6 A.M., as are women normally, although exceptions have been made for the latter in the case of the telephone and textile industries and for hospitals. The night shift is uniformly an hour shorter than the day shift for the given industry.

Women workers at manual labor who are about to become mothers are allowed two months' rest with pay before giving birth to a child and an additional two months afterwards. Clerical workers, because their work is less severe, are given a total of three instead of four months. When the mother returns to work she almost always finds a nursery or *crèche* where she may leave her child. She also is given a half hour out of every three and a half hours in which to nurse it.

It should also be mentioned that industries are required to furnish appropriate clothing for jobs which require it and give specially prepared foods to those in hot or unsanitary occupations.

Vacations

Every industrial worker who has been employed for at least five months and a half is given two weeks' vacation annually with pay. Those employed in especially arduous trades such as coal mining, glass working, iron molding, and the iron and steel industry, are given as much as a month. Moreover, approximately 600,000 workers are sent annually by the unions and the Social Insurance Department for vacations in rest homes, where their expenses are paid. These rest homes, which are generally the estates of the former aristocracy, are one of the most interesting features of the new Russia.

The System of Social Insurance

Virtually every employed worker in Russia comes under the protection of this system of social insurance. At present 8,900,000 persons are covered, though it does not yet apply to peasants and many of the unemployed urban workers. The most important features of the system are: (a) Payment for temporary disability resulting from accidents or illness; (b) Payments for permanent disability and old age pensions; (c) Unemployment insurance and protection; (d) Insurance payments to families of deceased wage earners; (e) Burial and birth allowances. These will be discussed in turn.

Temporary Disability

If an employed worker is temporarily prevented by either accident or illness from working, he is paid the full amount of his average earnings for the lost time without deductions for any waiting period. This is as true in those cases where he is disabled from non-industrial causes as in those which have an industrial origin. If a worker is unemployed, however, he does not receive more than his unemployment allowance if he is taken ill. The average payment for each disabled worker in March, 1927, was at the rate of $28.75 per month. The worker is, in addition, furnished with free medical attention throughout the period of his disability. This medical service is not confined to the general practitioner, as is the case under the British Health Insurance System, but carries with it the services of such specialists as oculists, dentists and surgeons. Free hospital care is also provided, as are drugs, medicine and appliances such as artificial limbs. It should also be emphasized that this medical care is not confined, as under the British System, to the wage-earners alone, but is also extended to their families. There is virtually free medicine in Russia. It is, of course, true that there is often greater delay in receiving the free medical attention at the public clinics than in going

to private doctors. Local government units provide health and medical care from their own budgets, and in addition approximately 30 per cent of the social insurance funds are used for this purpose. The wives and children of the insured may therefor secure not only the general medical attention in their homes or at the clinics without charge, but are furnished with free medicine, free dentistry, care of the eyes, hospital care and surgical work. A worker is paid full wages if he or she is compelled to stay home to nurse a sick member of the family. All this is furnished as a right and not as charity. The Russian government proceeds upon the theory that it is the duty of the state to furnish health to its citizens so far as this is possible, and believes that medical attention should be free to every person. This is a feature which cannot be commended too strongly and which is in harmony with the best thought among students of public health.

The inference likely to be drawn by many is that the cash benefits of 100 per cent of the earnings will lead to much malingering and to feigned illness. There are, no doubt, cases of malingering, but the social consciousness of the workers and the effective medical service combine to keep it within minor dimensions. This is proved by the fact that the average number of days lost in the U.S.S.R. per insured person, for temporary disability, exclusive of time lost from child birth and nursing, was only 8 in 1924-1925, 8.8 in 1925-1926, and a yearly rate during the first six months of the 1926-1927 fiscal year of only 7.8. This is in sharp contrast with the German experience where with a waiting period and with benefits amounting to only a part of the wage, the average number of days lost annually has ranged within recent years between 12 and 15. Part of this difference is undoubtedly due to the fact that the German system includes primarily industrial workers, whose sickness rate tends to be above the general level of the population, while the Russian system includes agricultural, domestic and other occupations as well. Yet in

a number of industrial centers we found an average of eleven days lost because of temporary disability, which is less than the amount of time lost in Germany. The country with by far the more liberal system of benefits shows less lost time, although medicine and public sanitation are more advanced in Germany than in Russia. The full reasons for this are not yet conclusively established, but from our inquiries we are convicinced that it is largely due to (1) the full medical attention and treatment which are given to the workers and their families; and (2), the tendency of ill or injured workers, when the benefits are only a fraction of their wages, to return to work before they are well, thus rendering them more susceptible to future illnesses and consequently causing them to lose additional time. A low scale of benefits seems therefore to be false economy, even when judged by the purely monetary standards.

Personal Disability and Old Age Pensions

A worker adjudged by the physicians of the Commissariat of Health and the Social Insurance Department to be so injured or disabled as to be permanently incapacitated is paid a somewhat different scale of benefits, depending upon the degree of permanent disability and whether the cause was industrial or non-industrial. There are six categories for those who have been disabled from industrial causes, with the following benefit scales: (1) those who have suffered a total loss of earning power and need some one as a caretaker, 100 per cent; (2) those suffering a total loss of earning power but not needing a caretaker, 75 per cent; (3) those unable to work systematically but only occasionally, 50 per cent; (4) those able to work regularly but with greatly lowered capacity, 33⅓ per cent; (5) those able to work regularly but with a loss of 15 to 30 per cent earning capacity, 16⅔ per cent; (6) those suffering loss of less than 15 per cent earning capacity, 10 per cent. Benefits are only paid to the first three categories of those who have been disabled from non-industrial causes, with

a scale amounting to 66⅔, 44½, and 33⅓ per cent, respectively. The average monthly payments in March, 1927, for the first category of those disabled from industrial causes was $22.50, and $17 for the first category of the non-industrially disabled.

These benefits also serve as old-age pensions. They are not paid automatically to those who have reached a given age yet are still able to work with undiminished capacity, but are given to those who for one cause or another have suffered either a partial or total loss of earning power. Although the requirement of eight years' prior employment for those over 50 who are disabled from non-industrial causes does debar some, in practice most aged persons will be included, and the benefits will be paid irrespective of the earnings of a son or other members of the family.

One must conclude that the Russian system of labor legislation affords the fullest protection, within the standard of living permitted by the productivity of industry, of any country in the world. The workers are in practice protected against unduly long hours, injuries, bad conditions of employment, and losses resulting from accidents, illness, old age, unemployment, and the death of wage earners, which menace the lives of workers in other lands. In no other country of which we know is there such a systematic protection for mothers and children and for tired and ill workers.

Unemployment Insurance and Protection

Unemployment is a serious problem in the U.S.S.R. as in other European countries. On January 1, 1926, the 281 labor exchanges showed a total of 950,000 out of work. This rose to 1,250,000 in December, 1926, and to 1,407,000 by March, 1927. In that month the unemployment rolls were purged of those who had found other employment and by virtually dropping those who had not previously been employed for hire. This caused a drop in April to a registered total of 1,055,000, which decreased to 992,000 in July, but this

does not include the unemployed in smaller towns where there are no labor exchanges. That this number is large is shown by the fact that on April 1, 1927, 1,774,000 trade unionists, or 18.1 per cent of the total union membership, were unemployed. Since the unemployment among non-trade unionists is doubtless higher proportionately than among members, it is probable that at least 2,000,000 Russian workers are unemployed. These are very largely unskilled workers, primarily recruited from the peasants who have recently come to the towns. This movement to the towns, induced as it is by the higher economic and cultural standards of life among city workers, is probably the chief cause of unemployment, since the migration to the city is greater than urban industry can absorb.

It cannot be denied that unemployment is one of the most serious problems which the government faces. To meet it the government has adopted three methods: unemployment insurance; starting special projects to give work to those who lack it; and education of the unemployed.

The most highly qualified workers and juveniles just entering employment are paid benefits without any prior condition of employment, but this is required of all others. For a non-highly qualified manual worker to receive unemployment benefits, he must have been employed for hire, if a union member, for at least one year; if not a member of a union, he must have been employed for three years. For other salaried employees the period required for union members is three years and for non-unionists five years.

Because of these limitations the number receiving benefits amounts approximately to half the number registered at the labor exchanges, and to less than this proportion of all those seeking employment. In June, 1927, the total number to whom benefits were paid amounted to 542,000.

A number of factors are taken into consideration in fixing the scale of benefits. The country is divided into six belts and the average earnings of all workers computed for each. Skilled

manual workers and salaried employees with a higher education (Class A) are paid one-third of the average earnings in that belt; semi-skilled manual workers and higher grade salaried employees (Class B) are paid one-fourth of the average; and unskilled manual workers and all the remaining salaried employees (Class C) are paid one-fifth. This is an interesting compromise between the flat-rate system of benefits, irrespective of earning power, as in the British system, and the payment of a percentage of individual earnings. Since the base upon which the percentages for the three groups are computed is common to all—the average earnings of the belt—the amounts given to each will vary. So in Moscow Class A receives $13 a month, Class B, $9.50, Class C, $7.50. Since Class C, however, when at work, earned much less than Class A, this in practice means that the members of Class C receive a higher percentage of their earnings than do Class A. The average monthly payment in March, 1927, to the unemployed in the first group was $8.50; the average for the remainder was $5.70.

The usual practice of increasing the amount of unemployment benefits according to the number of dependents is also followed. Those with one dependent are given an additional sum amounting to 15 per cent of the sum paid in benefits; those with two dependents are paid an additional 25 per cent, and those with three or more, 35 per cent. The entire amount received by the worker in benefits, however, must not exceed one-half of his previous earnings.

The government and the municipalities have also been making earnest efforts to provide work for the unemployed not eligible for benefits. The labor exchanges for most cities have set up coöperative labor societies where the unemployed can work for six months in producing some articles, generally of a handicraft nature. At the end of six months the workers are replaced by another set of unemployed. The expenses for this work are in large part met from the sales of the products, but deficits are met from the government funds, and these will

amount for the year 1926-1927 to approximately $3,000,000. Public works, particularly railway construction, are another means of absorbing the unemployed, and an extra sum of $6,500,000 will be spent for this purpose during 1927. About 110,000 of the unemployed are cared for by these methods.

As many of the unemployed as possible are being trained for the skilled trades by the Central Institute of Labor and its branches, where the most minute and careful investigations of the proper working motions for the various operations are being made and taught. Many of the trade unions pay additional benefits to their unemployed members, and in general furnish traveling expenses to such members in order that they may find work in localities where there is a demand for labor.

The public labor exchanges are free to employers and employees and have been given a monopoly of placement work by the state. Not only are private employment agencies prohibited from placing workers, but the employers themselves are not allowed to hire men independently. During 1926 the labor exchanges made between 1,900,000 and 2,000,000 placements. Union men are given the preference in hiring, and non-union men are not given work so long as there are unemployed unionists who are capable of filling the positions. This preference applies to the union group as a whole and not merely to those of a particular craft. Thus, if there are unemployed metal workers who are able to work in the food industry, they are given work in the latter industry ahead of non-unionists. An employer has to give at least a trial to the workers who are referred to him, but he may discharge them within a week without any loss to himself. After they have passed this trial period, however, they can be dropped only with the consent of the shop committee, subject to appeal to the union and the Commissariat of Labor, and even then must be paid a dismissal wage equal to two weeks' earnings. This makes it difficult in practice to discharge men for inefficiency. The effects upon discipline, however, are by no means as bad as might be

thought. The workers are on the whole vitally interested in production, since they share in the benefits, so that they apply moral pressure to the chronic absentees and those inclined to idle.

Insurance Payments to Families of Deceased Wage Earners

This is another unique feature in the Russian social insurance system. In other countries the workers are supposed to provide insurance individually for their families. In Russia if a worker leaves dependents who have no other means of support, they are entitled to pensions from the social insurance department. A husband or wife or parent of the deceased will be regarded as dependent provided they are unable to work or have children below the age of eight which claim their attention. Children under 16 years and those over 16 who have been disabled before they reached that age are also classed as dependents. If a worker dies from an industrial accident or disease, his dependents will receive somewhat more than if he dies from non-industrial causes. The scale for the first class of cases is one-third of the previous earnings for one dependent, one-half for two dependents, and three-fourths for three or more; while for the second class the scale is two-ninths, one-third and four-ninths, respectively.

Birth and Burial Allowances

Upon giving birth to a child, mothers are granted an allowance equal to one-half a month's earnings. This sum, which in March was equal to $10.50 a month, is used to purchase the layette needed for the baby and to meet other incidental expenses. They are also paid one-eighth of a month's salary for the nine months following child birth as a nursing allowance. This payment of slightly over $2.60 a month is used by the Commissariat of Health as a means of keeping in touch with these mothers and of getting them to follow medical advice in caring for their babies.

Allowances are also made by the insurance department to

meet the costs of civil burial. The amounts paid vary according to the costs in the various belts. The amounts allowed for children is one-half that for adults. The country-wide monthly average for the two amounted in March to $14.

In all some $400,000,000 will be spent for social insurance this year. This is entirely paid by the industries of the country and forms an average charge of slightly over 13 per cent of the payroll. This is an appreciable reduction of the rate as compared with 1923-1924, when it was as high as 22 per cent, although approximately two-thirds of this was not collected, because of its highness and the still crippled condition of industry. At present, however, virtually all the assessments are being collected promptly and the earlier unpaid amounts are being reduced.

Labor Administration

Progressive labor laws in other countries are frequently nullified in practice by being entrusted to unsympathetic officials for enforcement. In Russia the officers of the labor department are actually appointed by the trade unions themselves. The All-Russian Central Council of Trade Unions nominates the heads of the Commissariat of Labor, and its decision is obligatory upon the government, while the provincial heads are nominated by the respective trade union councils. This is also true of the local heads of the social insurance and employment departments and of the local arbitrators. The separate unions also nominate the heads of the various individual departments within the labor exchanges. The labor laws are therefore enforced by representatives of the trade unions.

The fact that the trade unions are also consulted by the government trusts in the appointment of managers and that the shop committees and unions have power to file complaints about the conduct of managers means that both the administration of the industries and of the laws is in the hands of the workers themselves.

HOUSING

From the moment when the Russian workers took over the government the question of shelter has been in the foreground. The urge to nationalize property was intensified by the miserable living conditions of the workers. Nationalized property offered more room, but there was not enough of it to go around. Out of 2,200,000 urban houses in the country, only 300,000, or 13 per cent, were nationalized. However, these nationalized houses made up 50 per cent of the entire urban housing capacity. The remaining 87 per cent of these houses stayed in the hands of the owners.

The nationalized buildings were directly controlled by the municipal soviets during the period of the civil war following the revolution. With the restoration of orderly economic life a definite housing program took form. This meant a building program entailing the outlay of much capital. The infant industries of Russia needed this capital, and needed it badly. Therefore the program for better housing was deferred; but when the strain of the first efforts in industrial reconstruction had lessened, more time and money were given to housing. The accomplishments of the past few years have been remarkable. Still there is great overcrowding in the cities and industrial sections, thanks to the destruction of the revolution and civil war days and the fact that for over five years, 1916-1921, almost no building was carried on.

The difficulties of constructing better homes have been both financial and economic. The government industries put all possible earnings back into the industry to increase production, thus reducing the surplus for such things as housing. A special tax on non-working tenants designed to be used for building has been small and irregular, and the income tax to be used for housing has been hard to collect. Labor has been expensive

and the cost of building has not been standardized. The capital and resources of coöperative house building plans have been small. In addition, building materials have been inadequate.

The trade unions, the coöperatives and the industries themselves are now carrying on an extensive housing program. For example, in Tiflis, the capital of the Federation of Trans-Caucasian Soviet Republics, the trade unions, with the help of government loans, have replaced hovels with modern homes. Here the apartment type prevails, each one with a large dining room and a kitchen where food is prepared and served at cost. Large gardens surround these apartments, containing outdoor motion pictures, band stands, and stages for theatrical productions. In each building there is also a theater and a clubroom.

In apartment houses built by labor organizations, the apartments are all alike, but rent varies in direct proportion to the wage earned by the tenant. In some of the best apartments which we visited the rent ranges from $1.50 to $5.00 per month, and less. No rent is charged to union members out of work. This does not mean that every worker in Tiflis, or in any other Russian city, is ideally housed, but it does mean that the workers in the new homes are far better housed than they were under the old régime.

Another instrument for better housing is the coöperative building societies which have developed chiefly in industrial sections. Over 9,000 coöperative apartment houses were built by these societies last year. In one section of Moscow the coöperatives are now constructing 22 large apartments which will altogether house nearly 14,000 people. These apartments all have a central building containing a large kindergarten occupying two entire floors. There is also a coöperative laundry and coöperative stores. The average apartment consists of two rooms, with kitchen and bath shared with another family. The cost is $7 a month, exclusive of water. In the apartment just cited, the rent runs over a period of 44 years,

by which time the apartment is fully paid for and belongs to the owner, whose family or relatives may occupy it during their lives, but cannot sell or lease it at a profit. Any person can join one of these coöperative building societies by making a small payment and thereafter payments of a few rubles a month, the installments increasing after the house is built and occupied.

The great bulk of the housing of the industrial workers is done by the industries themselves. In collective agreements made with the trade unions the government trusts arrange to pay 10 per cent of their profits into a fund for the improvement of the life of the workers. Under the Labor Code 75 per cent of this goes to housing. Many factories that we visited had new houses built or under construction with the aid of these funds.

In spite of these various methods for putting up houses the situation is still very bad, the new capital cities such as Moscow and Kharkov being specially in need of more living space. Leningrad and Kiev have been relieved by the removal of government personnel, but there is no city or large town in the U.S.S.R. which does not suffer from a shortage. The situation is not only difficult from the point of view of shortage but also because of the depreciation of those facilities which do exist. Adequate repairs have not been made; and houses which once were adequate are livable at present only because the necessity is so great.

CONSUMERS' COÖPERATIVES

THE 14,000,000 members of the 29,000 coöperative societies form one of the most powerful economic forces in the U.S.S.R. About 40 per cent of the members are urban workers, drawn almost entirely from the trade unionists and their families, while the remainder are peasants. These societies have over 67,000 stores, and during 1925-1926 did a total retail business of over $2,250,000,000. This was 38 per cent of the total retail sales. During the year closing October 1, 1927, it is estimated that the total sales by these societies will be $2,650,000,000, or 46 per cent of all goods sold.

The coöperatives and the state stores (owned by municipalities or by the state trusts) are rapidly cutting down private trade. In 1923-1924 private trade handled 59 per cent of the retail business, but this had decreased by 1925-1926 to 39 per cent, and this year it will form but approximately 31 per cent of the total, of which a considerable proportion represents the direct sales by peasants and domestic workers of their handiwork at markets and fairs, rather than sales by a separate mercantile class. All the evidence indicates that the general impression current outside of Russia that the "nepmen," or private merchants, are gaining ground is quite mistaken. There are a few fairly prosperous private traders in Moscow and Leningrad, but in the main the private merchants, though perhaps more numerous, keep only very small shops which can be tended by themselves and their families. It is the coöperatives which are coming more and more to control the retail trade of Russia.

The coöperatives are making such rapid progress because they undersell the private stores by approximately 20 per cent. This is, of course, a different price policy from that followed by the British coöperative system, where sale is conducted at

market price. The latter is a safer policy under a different economic régime, since it lessens the dangers of changes in the prices of commodities, protects against mistakes in cost accounting, lessens the opposition of private traders, and gives the bulked savings in the form of dividends upon purchases to the members at the end of a period. But while this treats the system of prices as an umbrella to protect against possible difficulties, it is not conducive to a quick growth or to a rapid displacement of private trade. The Russians are anxious to decrease the relative amount of private trade and thus to prevent a class of small business men from arising.

The coöperatives are able to reduce prices in this fashion in part because of the advantages of large-scale buying which they possess through their federations and through their general efficiency. They also receive special favors from various state agencies, such as a first option, with the state stores, upon the output of the state trusts. This means that the private merchants are unable to secure those products of which the supply is insufficient to satisfy the demand, and that the coöperatives and state stores have a virtual monopoly of these lines. The coöperatives are also given more generous credit terms, lower rents, and a lower tax rate.

The shares of the coöperatives are in small denominations, having until recently been in general $2.50 for the country and $5.00 for the urban societies. These shares are mostly held by the male heads of the households, although the coöperatives are trying to get as many women to become members as possible.

The total amount of share capital held by the members amounted in April, 1927, to $45,000,000, or an average of only slightly over $3 per member. This shows that in practice few of the members have more than one share. The coöperative societies, however, hold property and possess reserves built up out of previous undistributed profits amounting to $190,000,000. The principle of one man, one vote, is fol-

lowed. In smaller village societies the members choose the administrative officers at yearly meetings; in large societies the members elect a delegate body to select the administrative officers and exercise general supervision over policy. These local societies are federated into district and provisional associations, and these in turn into federations for each of the main republics. Centrosoyus, the coöperative federation for the R.S.F.S.R., is also the loose federation for the U.S.S.R. as a whole. These federations, however, are more and more becoming primarily agencies which assemble the orders of the local societies and place them. The state trusts insofar as possible ship their goods directly from the factories to the local societies, thus reducing warehousing charges.

The coöperative societies sell not only groceries, but also textiles, clothing, crockery, furniture, and, until recently, agricultural implements and seed amongst the peasants. The latter two commodities, however, have recently been turned over to the agricultural coöperatives, who buy these articles for the peasants, as well as market their grain and other products. Credit is furnished to members who need it, varying from one pay-period for groceries to six months for clothing, furniture, etc. The losses from bad debts have been small. The employers of labor are in general held responsible for the debts of wage earners, and in turn protect themselves by deducting from the pay checks of the employees. No interest is charged upon the credit extended.

The local societies secure capital partly in the form of sales on credit by the coöperative federations and partly in the form of credit from the banks. The latter is more important than is share capital or accumulated savings. In April, 1927, the borrowings from the banks amounted to over $750,000,000, or approximately three times the accumulated resources of the societies. The federations, of course, secure a larger proportion of their credit from the banks than do the local societies.

Because of the fact that the goods are sold at very close

to factory costs plus the cost of transporting and handling, the dividends upon purchases are very slight, seldom if ever amounting to more than three per cent. The profits for the first half year of 1926-1927 were $43,800,000 or approximately two per cent upon the total sales. Some societies have given up the practice of paying any dividends upon purchases at all, and instead turn their profits at the end of the year into their cultural work or into building up their supply of capital.

Since the coöperative stores sell a considerable proportion of their goods to non-members at the same price as to members, the question arises why so many should join the coöperatives when they could obtain most of the advantages by not doing so. Dividends upon purchases, it should be remembered, are extremely slight and in a large percentage of the cases non-existent, while many of the societies do not pay interest on the shares. The main inducement for people to join the coöperatives are: (1) the first claim upon those articles of which there is shortage, being particularly the case for the better grades of textiles and for sugar; (2) the sole right to receive credit; (3) the sense of social solidarity and of assisting the people as grouped together in these voluntary associations to control the processes of distribution. The low price of the shares, only a fraction of which need be paid initially and the remainder paid gradually in installments, also makes it easy for people to join. The payment of interest for share capital and dividends offers still further inducement for membership.

The fact that the supply of many goods is extremely limited in comparison with the demand furnishes a temptation to members to buy these articles from the coöperatives and then resell them to private traders at an appreciably higher price, who then re-sell at still higher prices to those who can afford to pay more for them or who are willing to pay more rather than to stand in line trying to secure them. When members of coöperatives are discovered to be speculating in goods, their

membership privileges are taken away from them and they are subject to a reprimand from the trade unions.

This offers an interesting contrast between the methods of adjusting supply and demand under a controlled economy and under a system of free enterprise. In the former prices are fixed, and if at that price more goods are demanded than available, then those who are to secure them are determined by the principle of first come first served. When enterprise is free, however, the competition of the buyers raises prices and thus lessens the quantity which would otherwise be demanded by those who cannot pay the new price.

A large proportion of non-communists participate in the actual administration of the coöperatives. In the country districts this is particularly the case, but it is also true of the urban societies. As in the trade union and governmental structure, the percentage of communists increases in the upper reaches of the system, and their membership predominates in the large wholesales. The program of rigid price-cutting inaugurated during the last year was indeed carried into effect because of the communist control of these upper bodies, which brought the coöperatives into harmony with the general policy decided upon for industry as a whole.

AGRICULTURE

AGRICULTURE in the U.S.S.R. is approximately at the 1913 level. The amount of land under cultivation is greater; but the total yield is slightly less, indicating a somewhat smaller yield per acre. The present situation, judged strictly by the statistics, would show a condition slightly less favorable than that which existed before the war, but judged according to certain other criteria, it would have to be set down as better. For instance, the status of the peasants has improved, land holdings have been reorganized, and much capital has been invested in research and experimentation, though the future results of all these have not yet been registered in figures.

The first important fact to be discovered concerning any nation's agriculture is the size of the units with which the farmers have to work. There are 22,000,000 peasant establishments in Russia. Thirty per cent of these establishments had in 1925 less than 25 acres in tillage, and another 50 per cent were under 70 acres. These are small operations, judged by American standards. This primary fact accounts for the present backwardness of Russian agriculture. Prosperous cultivation would seem possible if there were fruit or truck farms as we know them. They are, however, for the most part grain-farms of the type which we consider inefficient at less than several hundred acres per establishment.

The only possibility of any greatly increased standard of living for the peasants, with this heavy original handicap is the development of socializing efforts, such as the communal use of machinery, pure-bred sires, coöperative credit associations, selling societies and the like, and the program, already entered on, of emphasizing intensive cultures. The government, it must be said, is making strenuous efforts in this direction. It has far exceeded the pre-war standard of expert assistance

for peasants, has assisted in bettering seed and animal strains, and, most important of all, has entered on a definite 10-year program for the reorganization of the medieval strip-farming still so prevalent in Russia. By re-surveying the land and consolidating the strip into the field system, and by introducing the five- or six-field rotation system, the government is doing what it can toward increasing production. It has, indeed, already had results.

The present situation of agriculture in Russia has to be judged in the light of its recent history. The great war and the civil wars, together with the disastrous policies during the period of war communism, reduced farming to an unbelievable state. The recovery since has been remarkable. Part of it is merely the normal upswing from an abnormal depression and would have occurred in any case. Part of it must be attributed to the present policy of the government. The following table gives a concise but revealing picture of the recent situation:

Year	*Bulk of Commodity Production in 1000 pounds*	*Percentage*
1923-24	317,556	100
1924-25	325,116	102.4
1925-26	400,464	126.1
1926-27	428,436	134.9

This is an increase of 35 per cent in four years. The increase from the famine year, 1921-1922, is still more notable —about 87 per cent.

It is one thing to increase production, but another to secure with the returns from it the manufactured articles which the peasant finds necessary but cannot himself produce. The disparity between agricultural prices and the prices of manufactured articles—known as "the scissors"—is a problem not peculiar to Russia, and is acute there as in other countries. Its seriousness has produced an interesting illustration of the

all-embracing power of the government, in the lowering of prices of manufactured articles and the raising of prices for agricultural products, which has been the consistent policy for six years. In January, 1925, the index of the relationship of industrial to agricultural retail prices stood at 139. In August, 1927, it was 106, with many fluctuations in the interim, but with a general tendency to correct the peasants' disadvantage. It still remains a question, however, whether arbitrary price-fixing can be successful if it fixes prices far out of their natural trends. In Russia, because the growth of industrial production is far more rapid than that of agricultural production and exports and imports are rigorously controlled, the operation seems to have a good chance of success. If it continues to succeed it will have a marked effect in raising the peasants' standard of living.

It ought to be borne in mind that only 18.3 per cent of all agricultural products is sold in public markets and that therefore a rise in standard of living for the peasant depends largely on his own consumption of his own or neighbor's goods. Statistics of food consumption show that the peasant is eating about the same amount of bread, but of better quality, 15 per cent more meat, 43 per cent more milk, the same amount of butter, and 28 per cent more eggs. Although figures are lacking, we have good reason to believe that the peasant is eating more vegetables and fruit. He is as yet securing less furniture, clothes and other manufactured goods than were available to him in 1913, but he is enabled to use more of his own products. Thus, not only within the 18.3 per cent of his products publicly sold is the peasant gaining in capacity to purchase manufactured goods, but he is able to use more of his own products.

It has been calculated that for the whole of the U.S.S.R. the peasant pays in taxes $1,250,000 less than his taxes and rent before the war, and should therefore be able to increase his capital, his disbursements, and his consumption. In theory

he does not own the legal title to his land, but he and his family retain it as long as they can prove that it is being used. He may rent a part of the land, subject to rigid restrictions. Credit given to him, therefore, cannot be used for speculative purposes, but only for capital expansion and working funds. The administration of this credit through the central and local land banks and the coöperatives is not impressive in total size except in relation to the small capital resources available in Russia, which necessitate high interest rates and encourage short-term loans.

In spite of the fact that agricultural purchasing and marketing are almost completely in the hands of the governmental and coöperative organizations, the cost of distribution remains high and is slowly, if at all, being diminished. Costs of transportation make this a more serious problem for the peasant than for the city worker.

All in all the status of agriculture in Russia is about as good as could be expected. The government, contrary to so many reports prevalent abroad, is obviously not using the agricultural regions as colonies to be exploited for the benefit of the city workers, who undoubtedly do control the government, but is attempting to develop a rounded and solidly based economic system, with agriculture as an integral part. When it is remembered that the products of agriculture total some $5,500,000,000 and those of industry only about $3,500,000,000 the necessity for a wise agricultural policy becomes apparent. Add to this the fact that of the 146,000,000 people in the Soviet Union, some 116,000,000 live in peasant homes, and the importance of a wise policy becomes even more plain. Thirty millions of population could not hope in the long run to exploit 116,000,000 without storing up a good deal of trouble. Futhermore, from the point of view of the Communist Party's hope of building up industry, agricultural exports are of first importance. These exports are almost the sole source of funds in the world's markets by which Rus-

sia can purchase machines with which to build up a rounded industry. It is also true that the purchasing power of the peasants has to be kept up if agriculture is to be improved by additions to its capital equipment and if the products of a reorganized industry are to find a permanent market.

The great mass of peasantry in Russia has always existed at a level which, measured by our standards, is intolerably low. But, judged by its own criteria, there has been and should be more improvement if the present policies of the government are continued. The restricted size of holdings, the village system of organization, the difficulties inherent in dry-farming (which must be done in much of Russia) all militate against long-run prosperity. But within these limitations the development of communal enterprise, the growth of new rotation and cultivation practices, the building up of herds and capital, the reduction of costs of obtaining manufactured goods—all can do much toward the amelioration of old wrongs. And all these are definite parts of the present policy.

EDUCATION

The revolution has been followed by an enormous amount of activity in the field of education, resulting in a fundamental reorganization of the educational system and the launching of a new educational program. The primary object of this program is to contribute to the development of a social order essentially socialistic, if not communistic. To achieve this object the curricula and methods in the conventional divisions of the educational system—elementary, secondary, and higher—have been radically revised.

In addition many new institutions, such as children's homes, schools for peasant youths, workers' faculties, factory technical schools, centers for adult education, and workers' clubs have been created, and many interests which customarily fall outside the field of educational administration, such as museums, libraries, artistic and scientific institutions, theaters, publications and the cultural development of backward peoples, have been brought under the supervision of the educational authorities.

In the organization and administration of education complete autonomy is granted each of the six republics which comprise the U.S.S.R. Within each of the republics the administration of education is highly centralized, programs and policies being worked out by the People's Commissariat of Education. The responsibility of local authorities is largely that of securing funds and adapting the policies and programs to local conditions.

All education below the level of special and professional education is controlled and administered by the state. In those fields where no questions of social and political education are involved, a few private institutions exist. Practically all public education is open to all, although where the demand

is greater than the facilities, discrimination is made in favor of the working class.

At the upper levels of the system, and at the lower levels in the case of unfortunate children, education is not only free in the ordinary sense of the term, but maintenance allowances are frequently provided.

Notwithstanding the severe economic conditions which have prevailed up to the present, the achievements in the development of a new educational system have been large. The expenditures on education are now in excess of the pre-war figure. In the year 1925-1926 elementary education was extended about as widely as in 1914, while secondary, vocational, professional, and higher education were much more widely extended.

The greatest achievement of the revolution thus far, however, is the development of thousands of additional institutions, such as centers for liquidating illiteracy, schools for adults, trade union schools, party schools, cottage reading rooms, workers' and peasants' homes, and young people's clubs.

The curriculum of the lower schools is characterized by a large emphasis on the social studies, aimed to indoctrinate children with the ideals and attitudes of collectivism. The curriculum also emphasizes the methods and findings of the natural sciences, with the aim of developing in the children a definite materialistic outlook.

In the realm of purely cultural interests, such as language, literature, and art, racial and national minorities within each republic are given an extreme measure of freedom, but in the realm of economic and political ideas adherence to the generally accepted policies of the U.S.S.R. is required. As in every other country, a teacher is not permitted to express in the school ideas which are contrary to the principles on which the present government is founded.

The social and political status of the teacher has been improved, but the absolute economic status is not yet as good

as it was before the revolution, though the relative status in comparison with other professions is better. The number of teachers who have been dismissed or who have left the schools because of the revolution is certainly not more than five per cent.

A strong effort is made to relate all instruction to the community, the state, and the needs of the working class. Pupil participation in the government of the school is emphasized throughout the educational system.

The educational authorities have mapped out a most ambitious program for the rapid expansion of education during the next decade. It is still largely on paper, because the money to achieve it is inadequate, so that its fulfillment must wait upon the realization of the economic program.

STRUCTURE OF THE GOVERNMENT AND THE COMMUNIST PARTY

THE government is based upon occupational representation and the dictatorship of the proletariat. In the cities representatives are elected to the local soviets (the word soviet means council) from the factories and shops rather than primarily from geographical districts. The workers of each factory of appropriate size meet at their place of work to nominate and elect their representatives. Smaller factories in the same industry, shops, and similar occupational groups are combined for this purpose. Housewives are also given representation, meeting by geographical districts. Independent handicraftsmen generally meet by districts to elect their representatives. These usually are not separated according to the type of product.

In the country the peasants of a village meet and elect their representatives to the local soviet. This is at once both geographical and occupational representation, since agriculture is virtually the only industry. The local homeworkers, however, take part in the elections, as do the local teachers and doctors. The right of suffrage is not granted to those who hire three or more laborers for profit.

Formerly homeworkers and those who hired even a single agricultural laborer were disfranchised, but these disabilities have been removed. Certain other classes are debarred, notably priests, ex-secret police officers of the Czar, and leaders in counter-revolutionary movements. These classes constitute a very small percentage of the population. The suffrage is denied them on the ground that they have every reason to try to supplant the socialistic system and the communistic government, and that votes should not be placed in the hands of the enemies of the existing régime. The village soviets perform the

usual functions of a local government, including the support of the schools and the adjustment of local land questions. At the last elections, approximately 50 per cent of all those eligible to vote actually participated, which is about the same percentage as those voting in our presidential elections. The tasks of the city soviets are much more complex, and include education, housing, sanitation, police and fire protection, care of the streets, and the management of municipal enterprises such as street-car lines, waterworks, and many municipal stores.

The village soviets elect representatives to the townships and the latter to the uyezd (county) soviets, which in turn elect to the gubernia (provincial) soviets. The city soviets also elect representatives to the provincial soviets, one delegate being allowed for every ten thousand inhabitants of the villages, and for every two thousand voters in the cities. Since the suffrage is granted to all over eighteen years, this means, in effect, giving the city voter approximately 2½ times the representation of a country voter. The communists defend this overrepresentation on the ground that the industrial workers are both more intelligent and more class conscious than the peasants. It is interesting to note that most of our industrial states have the opposite type of overrepresentation, giving the country districts much greater proportional representation than the cities. The provincial soviet corresponds to our state legislature. It takes charge of such activities as roads, high schools, agricultural and health work, also equalizing the burdens of taxation between the richer and poorer localities.

The provincial soviet congresses elect delegates to the All-Russian Congress. It has been commonly stated that the cities also send representatives directly to this All-Russian Congress, thus giving still further overrepresentation to the urban workers. This conception, however, is erroneous. The cities do not elect representatives directly to the All-Russian Congress, but instead only send them to the provincial congresses.

Within the last few years, the organization of the Russian state has been changed to provide greater flexibility and initiative for the various nationalities. Its name has been changed from the Russian Socialist Federated Soviet Republic to the Union of Socialist Soviet Republics. Russia is only one republic in this union, although, of course, it is the largest and most important, including as it does the whole of Siberia. The others are the Ukraine, White Russia, The Transcaucasian, the Turkoman and the Uzbek Republics, with some fifteen smaller "autonomous" republics, and sixteen "autonomous provinces" to provide for the various racial minorities, all of them being definititely socialist governments. The way is left open for other nations which embrace communism and adopt the soviet form of government to join this union. Thus if Germany were to turn Soviet, it could be admitted to the Union. The ultimate aim is to build up a federation which will be a Soviet League of Nations, but with much more centralized power than the present League possesses.

The All-Union Congress has about 1,500 members. This makes it somewhat cumbrous, so that it only meets for approximately one week every two years. It therefore decides only general policies, turning over most of the legislative functions to the Central Executive Committee of the Union, composed of 414 representatives, elected by the All-Russian Congress, and 100 elected by the various republics. This committee passes most of the fundamental laws of the Union, and chooses a presidium of twenty-one members, which is the supreme authority between sessions of the Central Executive Committee. The Central Executive Committee also elects the Council of People's Commissars, who are the executive heads of the various major departments.

There is a unified administration for the whole Union of some of the departments, such as War, Foreign Affairs and Transport. Others, such as Labor, Finance and the Economic Council have Commissars for each of the republics and for the

Union as a whole, although the major policies tend to be determined on a national scale.

Underneath the People's Commissars is a Council of Labor and Defense composed of the Chairman of the People's Commissars together with the Commissars of Workers' and Peasants' Inspection, War, Labor, Supreme Economic Council, Ways and Communications, Home and Foreign Trade, and a representative of the All-Russian Council of Trade Unions. This Council has charge of the general economic program of the nation. It has the power to regulate production, trade, prices, distribution and exchange. Its decisions are subject to review by the People's Commissars as a whole or by the Central Executive Committee. Directly underneath the Council of Labor and Defense comes the very important "Gosplan" organization described above.

In matters such as education, health and social welfare, the administration is primarily in the hands of the separate republics. Indeed, the creation of the individual republics was largely designed to give cultural autonomy to such sections as wished to preserve their own language and culture, and to secure greater administrative decentralization, particularly important in so large a country as Russia. Cultural autonomy is also granted within the major federated republics to those minor republics composed of racial or religious groups, such as the German colonists, the Tartars, the Moldavians, etc. Thus by allowing each group to teach its language and to preserve its customs, the communists hope to prevent any development of nationalism from seriously splitting the Union.

Each of the major republics has a parallel political structure to that of the Union—a congress, a central executive committee and a presidium.

The local elections are not conducted by secret ballot but by a show of hands. It is thus possible to determine how every man votes. This would seem to lend itself to intimidation, but it should be remembered that it would be very difficult

to provide a secret written ballot in a country where there is so much illiteracy as in Russia. It is also true that a voter cannot be subjected to the same intimidation as would be the case were industries and land in the hands of a few. Most of the abuses of public voting in England came because of the power which the landlords and some of the manufacturers had over their workmen by means of the covert threat that if a worker voted against the desires and interests of the landlord or employer, his job would be endangered. It is possible, however, for a considerable amount of social pressure to be exercised against men who vote against communist principles, but this pressure is naturally much weaker in the country districts where the proportion of communists is slight. Trustworthy observers inform us that discussion and voting in the villages seem perfectly free.

The proportion of communists elected to office increases rapidly as one goes higher in the governmental structure. In the villages the overwhelming majority of the members of the local soviets are non-communists. The proportion, however, in the county and provincial soviets is higher, and higher yet in the All-Russian Congress. The proportion of communists in the Central Executive Committee is still higher, while the Presidium and the Council of People's Commissars are entirely composed of communists.

It should not be inferred, however, that the non-communist members of the soviets are necessarily opposed to the Communist Party or to socialistic principles. A great many men and women in sympathy with communist policies either do not wish to make the sacrifice required of a member of the party or do not wish to subject themselves to its iron discipline, since members of the party are called upon for a great deal of political and economic work outside of working hours. They must be active in the trade unions, in the coöperatives and in political life. They must give up several afternoons or evenings a week to agitation and administration. They are pun-

ished much more severely than non-communists for any offense against the state. They cannot accept a larger wage than $112.50 a month in the larger cities and even less in the provinces. Many of the technicians and administrators who are not communists receive much more than this amount. Under these circumstances, therefore, many persons in sympathy with the aims of the party are reluctant to join.

It is also difficult to gain admission to the ranks of the party, particularly if one is not a manual worker or a peasant. The records of applicants are carefully examined, and if they have participated in counter-revolutionary attempts in the past they are almost always rejected. There is also a probationary period of six months for workers, one year for peasants, and five years for non-manual workers, during which the candidate may attend party meetings, but has not a deciding vote. In addition, every effort is made during this period to eliminate the career-seeker, many applicants being turned down on this ground.

The result is that the Communist Party is very different from what we understand by a political party. It is not a loose aggregation of persons who at a given time decide to vote in the same general way. It is rather a carefully selected body of active workers with a definite goal, who are willing to make great sacrifices for its success and who are bound together by a centralized discipline.

The structure of the Communist Party is very similar to that of the political state. Its 1,200,000 members are organized into approximately 38,000 local cells (nuclei.) These cells exist in factories and in villages, and in some cases have a district organization in the cities. They elect representatives to the annual congress of the party, which in turn elects a Central Committee. This is the main body to determine policies. It elects a political bureau of nine, which directs the main work of the party between sessions of the Central Committee. All members are bound by decisions of the party.

This leads in practice to a high degree of centralization, since the central committee can bind individuals in advance of the annual meeting of the congress. The central administration of the party also has a great deal of influence in nominating local secretaries of the party, and this still further helps to build up a central power. As is well known, the opposition in the party, led by Trotzky and Zinoviev, has recently contended that they should have the right to question decisions of the annual congress if new circumstances arise which alter the conditions existing at the time the general policy was formed. They also insist upon the right to carry on within the party a full discussion of the decisions of the Central Committee and to carry on agitation prior to the meetings of the annual congress.

Many have believed that the sacrificial quality of the Communist Party would disappear as the old communists who suffered in exile and prison for their principles died off or became superannuated. The communists have seen this danger and have attempted to meet it by setting up two organizations, the Pioneers and the League of Communist youth (Comsomol). The first takes in children from 10 to 16, the latter includes youths from 16 to 23. The Comsomols have branches throughout the U.S.S.R. and comprise approximately 2,300,000 members, or nearly twice the strength of the party itself. About half of these are taken into the party when they reach the age of eligibility. Some of the rest do not care to join, and others are eliminated on one or another ground. The Comsomols not only carry on educational and agitational work among their members, but also exercise and play together. They are also supposed to do social work among the unemployed juveniles, and to take care of the organization of Pioneers, playing a part which would be analogous to our Big Brother and Big Sister movement.

CIVIL LIBERTIES

No opposition party is permitted in Russia, nor any paper which attacks the fundamental principles of communism. Active opponents of the existing régime are not allowed to address public meetings. All books, pamphlets, moving pictures and programs have to be passed on by the department of censorship in the Commissariat of Education, and any material which attacks the fundamental principles of communism is not allowed to be presented. We tell the Communists that we object to this suppression as an offense against democracy, and they reply that the capitalist class in so-called democratic countries does not permit the rights of free press, free speech and free assembly to the workers whenever the latter become strong and class-conscious; that having suffered great hardships to introduce socialism, they do not intend to have the success of the revolution imperiled by permitting the remnants of the old régime to agitate for its restoration—that, indeed, no class which is in power willingly permits itself peacefully to be displaced by another.

But while organized opposition to the system is not permitted, a great deal of criticism by individuals is nevertheless allowed. Peasants and workers are free in the main to criticize the government for its policies. A number of papers are printed primarily for the peasants, and a wide network of correspondents not only send in news but offer sharp criticisms of action taken by the government. The peasants are subject to virtually no suppression; the urban workers are almost equally free. Every industrial or commercial establishment of any size has its wall newspaper, and this generally contains criticisms of the administration of that enterprise. There are also workers' life columns in practically all of the newspapers, to which approximately 250,000 correspondents contribute criticisms. Rep-

resentatives of the government and of the industrial enterprises frequently report to workers' factory meetings, where they are subject to criticism by the workers.

The communists say that such criticism is very useful to them, since it reveals whether or not a particular policy is in harmony with the workers' desires, and thus enables them to prevent their policy from diverging too far from the general opinion and the best economic interests of the wage-earning class. The control of the Communist party rests fundamentally on the support of the workers and peasants, and the party does not wish to suppress members of these two groups, since in so doing it would arouse formidable opposition. The same considerations do not apply to members of the former bourgeois class and to independent professionals. These groups are viewed with suspicion by the government and are not given the opportunity of collective criticism, while individual criticism is dangerous for them. The reason for such suppression is the fear on the part of the government that these groups would either stir up a rebellion or create an anti-communist party.

Attendance at a religious service is perfectly free for all, although the general influence of the Communist Party is thrown against religion. Christian churches cannot, however, give organized religious instruction to minors under the age of 18 years, although the Mohammedans are allowed to instruct their children beginning with the fourteenth year. The reason for this discrimination is the favorable attitude of the Mohammedan faith towards the revolution. It should be realized that the Greek Catholic Church, which includes the vast majority of Christian believers in Russia, has never greatly developed the religious instruction of the young. This restriction, therefore, is not such a great alteration of the former conditions for the Greek church as might be imagined, but it does, of course, distinctly lessen the power of the church to make future converts. The Roman Catholic Church did carry on religious instruction prior to the revolution among its limited

constituency, and its work has accordingly been somewhat hindered. On the other hand, many of the Protestant dissenting sects have been given a freedom of worship which they did not formerly possess. The members of the dissenting sects, moreover, give a considerable amount of religious instruction in the home. It is true that quite a large number of priests were imprisoned by the government, especially in the early years of the revolution. Some of these were thrown into prison because of their political activities, and a few doubtless because of their popularity and influence upon their parishioners.

Members of religious sects which have been historically opposed to war are not compelled to bear arms, but are required to give alternative service. If they refuse this and take the absolutist position, they are imprisoned for rather long periods of time. Those who are not members of such pacifistic sects are not even given the opportunity of alternative service, but are imprisoned if they refuse to serve. This is a similar principle to that followed during the war by the British and American governments, which offered alternative service to Quakers and other members of pacifistic groups, but did not recognize the right of people conscientiously to refuse all war service. A number of the followers of Tolstoy have been imprisoned or exiled for long periods either because of refusing to bear arms or because of their participation in the non-resistance movement.

The great masses of the people, however, have infinitely more political freedom than they had under the Czarist régime. They elect the members of the soviets, which are responsible to them. They can thus influence the decisions of the government to a degree which was formerly impossible.

Western liberals and those opposed to the Soviet Government frequently confuse political freedom with real freedom. The former is a part of the latter, but without economic freedom it goes not greatly benefit a man. The Russian workers

possess this economic freedom to a degree enjoyed by the workers of no other country. Thus they cannot be discharged from employment without the consent of their own representatives, and are therefore free from the fear of unjustified dismissal which constantly haunts the workers elsewhere. Their representatives are also members of the governing bodies of the nation's industry, and help to determine its policy. The managers of the factories and workshops must be satisfactory to them. They are also free to criticize the factory administration at any time or at any point. They fix by collective bargaining the pay and the conditions of their work. The managers are compelled to explain the major problems of the business to them. Their help is actively solicited in improving production. The mills, mines and natural resources of Russia are theirs to make of them what they can. As production increases they and the peasants receive the full product, without any deduction for rent or profits. There is no parasitical leisure class to waste without earning and to stir up envy.

Because of such freedom as this, the workers naturally do not particularly resent the refusal of the government to allow them the privilege of voting for a capitalist party which would take away most of this economic freedom which has been given them by the revolution.

To put down all opposition which may threaten, the government largely relies both upon prosecutions in the criminal courts and upon the State Political Department (G.P.U.), the secret service of the government which gathers evidence against persons suspected of political offenses. When conditions are normal this evidence is presented to the criminal courts, where a regular public trial is carried out. But when the political conditions are greatly disturbed and the government fears a possible attack by foreign powers or plots organized by spies in the pay of foreign governments, then, by special order of the Central Executive Committee, the G. P. U. is given the right

not only to arrest, but also to try all those whom they suspect of seeking to overthrow the soviet form of government. They must, however, notify the Procurator of the Supreme Court as soon as an arrest has been made. The defendant at these G.P.U. trials cannot be represented by a lawyer of his own choice, but only by a government official, namely, the Procurator of the Supreme Court of the Republic or his Deputy. The defendant does not have the free right to call witnesses in his behalf, and the same body is at once accuser and judge. The procedure of the G.P.U. for political offenses which come under its control is indeed almost identical with that practiced by our Department of Labor in deporting aliens, where the same administrative body is at once prosecutor and judge, although, of course, the punishments are hardly comparable. General supervision over the G.P.U. is exercised by the Central Executive Committee of the U.S.S.R.

The punishment for counter-revolutionary offenses is severe Appeal from decisions of the G.P.U. can be taken to the Central Executive Committee, but this is almost useless in cases where the Central Executive Committee has already approved the sentence. It is manifest that such a system lends itself to many grave abuses. Thus, in the case of the 20 monarchists executed in June, 1927, the Central Executive Committee approved the executions in advance, after an examination of the written evidence submitted by the G.P.U. Most of those to be executed were already in prison, but others were not, and these were arrested by the G.P.U., which then again reviewed the evidence, but did not allow them to produce witnesses in their defense. Menjinski, the head of the G.P.U., claimed that these men were given the right of appeal once more to the Central Executive Committee, but that they did not avail themselves of the opportunity. He did not deny, however, that a few of those executed might have been arrested, tried, convicted and shot within the space of twelve hours, although he claimed that in such a case evidence would have already been

under examination for months, perhaps even years. Nevertheless, the arrests and executions mentioned were characterized by an indecent speed and failure to give the accused a proper chance to defend themselves. In view of these facts, and regardless of the provocation, we believe that such procedure is wrong, and we took pains while in Russia to make our opposition and condemnation perfectly manifest to the leaders of the government and the Communist party.

It is frequently charged that the G.P.U. has in recent months secretly executed many others whose cases have not been brought to public attention. Those, however, who are active in the interests of political prisoners in Russia deny that such executions have taken place, and assert that they are able to obtain information as to the whereabouts of any person arrested on a political charge. Although no official figures are given out, it is admitted that thousands of persons are in exile in Siberia or Turkestan or in the six prison colonies maintained by the G.P.U. By far the larger number of these are members of the old bourgeois classes. The socialists, anarchists, and socialists-revolutionists form a much smaller proportion of the prisoners and exiles; the number of anarchists being still fewer than that of the socialists. No socialists or anarchists have been shot by official order since the conclusion of the civil wars, with the exception of a group of Georgian socialists who were tried and convicted of revolutionary activities by an ordinarily constituted court.

RELATIONS WITH OTHER COUNTRIES

THE Russians believe that they are menaced, externally, by a combination of the capitalistic nations, who are also plotting to stir up revolts from within. They believe that in order to defend themselves against such acts it is necessary to terrorize all those who may plot inside the country. They hope to ward off any attack from without by a strong program of military preparedness and by the pressure of the proletariat of these other countries. To many these fears may seem exaggerated and insincere. From our stay in Russia, however, we are convinced that they are generally held throughout the country, and are believed in by the leaders as well as by the rank and file.

A series of events combine to give considerable credence to such fears. Thus the Russian legation in Peking was violated in March by the soldiers of Chang Tso-Lin with the apparent approval of foreign diplomats, and a number of Chinese communists were strangled to death there. The Russian consulate in Shanghai was also sacked. Then in June came the raid by the British upon the London offices of Arcos and the Russian Trade Delegation and the breaking of the trade agreement. This was justified by the British government on the ground that a mysterious document had been supposedly stolen from their files and was in the Arcos office. This alleged document, if existent, was not found. The conduct of the raid was, moreover, in direct violation of the trade agreement, and while its unprecedented character in international relations makes it impossible to cite a precise analogy, it seems fair to say that in ordinary circumstances it would be closely equivalent to a challenge to war. Almost immediately following this raid on the Russian trade delegation came the murder of Voikoff, the Russian Ambassador to Poland.

All this was interpreted by the Russians as part of an attempt by Great Britain to destroy their government because of its communistic principles and because of the stimulus which Russian communism was giving to the nationalistic movements of China and India in their attempt to throw off British control. Other menacing circumstances have convinced the communists that England is trying to stir up internal rebellion. Documents discovered show that the British government has been giving a liberal money grant to the Skoropadski group, located in Warsaw and Paris, which claims to be the national government of the Ukraine. This was the government set up in the Ukraine by the Germans when they invaded that section early in 1918, and which left with the Germans when the latter withdrew in that year. The communists also maintain that they discovered during the winter plots to assassinate Rykov, Stalin and Bukharin, and that these plots were instigated by English agents. They maintain that some of the twenty whom they executed were in the pay of England and that their executions was intended as an answer to this plotting. Since the full documents in these cases have not been published, it is impossible to tell how correct these charges are. Subsequently, however, over twenty more persons were arrested and several of them, including an English agent, Guyer, confessed to be plotting against the Russian government. All this, together with the threatening statements of certain British Ministers in Parliament and such other evidence as the intercepted letter from the British Consul Preston in Leningrad, indicates that Great Britain has her agents in Russia, who are at the very least gathering such information as they can.

The Russians point out that such plots are not new, as evidenced by the previous activities of Paul Dukes, who was subsequently knighted by the British government, and of Captain Riley, both of whom were confessedly British spies. The former was not captured by the Russians, but the latter was captured in 1925 when he attempted to cross the Russian

border in disguise. It is also recalled that Captain Lockhart, the head of the British mission to Russia, plotted in 1918 to kidnap the entire Council of People's Commissars, although his country was not at war with Russia. No similar plot, we believe, has been made in modern times against a people by any representative of a supposedly friendly country.

Nor should it be forgotten that the Allies supported the various attempts at armed intervention during the years from 1918 to 1921. British money and munitions aided Denikin and Wrangel, the counter-revolutionary leaders. British and American troops waged war in 1918 in the Archangel district against the Russian government. Allied aid was given to the Czecho-Slovak forces, which created havoc as they marched eastward in their supposed attempt to get to the western front. Allied munitions and allied troops were furnished to Admiral Kolchak for his invasion of Siberia and of eastern Russia. Yudenitch's drive along the Baltic, which came within 12 miles of Leningrad, was also supported by certain of the Allies, as were most of the intervention armies which tried to conquer the Ukraine. Denikin and Wrangel were not only largely equipped by the Allies, but were directly aided by French and British officers and the French and British fleets, which actually bombarded towns, notably Odessa and Onega.

Small wonder, therefore, that in the light of all these facts the great mass of the Russian people believe that the capitalistic nations, led by the British, are actively trying by one means or another to destroy the Soviet government. These intervention threats and the fear occasioned by them are the chief and immediate cause of the terror employed by the Bolshevik government. Fear of foreign intervention always leads to such repressive measures designed to terrorize its supporters within the country, as the experience of the French Revolution of 1789 and of the Russian Revolution of 1917 clearly shows. It was during the period of Allied intervention that the famous Tcheka was most repressive, and when the civil wars were terminated

that institution was abolished. The June executions by the G.P.U. were the direct consequence of the raids on Russian embassies and trade delegations and the murder of a Soviet ambassador abroad, arousing the fear that intervention was again imminent.

Those, therefore, who oppose terroristic practices in Russia cannot at the same time consistently support intervention or such acts of hostility against Russia as have been recently practiced. The doctrine of non-resistance comes with poor grace from those who threaten to invade Russia with rifle in hand.

This fear of aggression on the part of other countries has resulted in the program for increased military preparedness which Russia is now carrying out. At the same time, responsible leaders of the government and the Communist party have assured us that they desire to participate in a plan for general European disarmament and to disarm if the other nations will do likewise. Stalin, Secretary of the Communist Party, and the most powerful political figure in Russia, declared to us personally that Russia was ready to disarm and "*entirely to annihilate her standing army.*" Russia took the initiative in 1924 by calling an Eastern European conference to consider disarmament, which unfortunately went for naught through no fault of hers. Russia is not so much afraid of Poland and Rumania, although together they have as many men under arms as has Russia, as she fears that England and France will use Poland and Rumania as a screen behind which to attack her. The disarmament program, therefore, depends not on the military forces of Poland and Rumania but rather on Russia's relative strength compared with that of England and the rest of Europe. The only solution is general European disarmament, and all our experience and information leads us to believe that Russia will assist in any sincere effort to accomplish this end.

Most communists believe that it will be impossible for the

two conflicting economic systems of capitalism and communism permanently to exist side by side. They believe that the capitalistic nations will try to destroy the communistic system of Russia in order to prevent the workers of these other countries from trying to imitate the Russian example. But until active military attacks are made upon them, they are willing to coöperate with the capitalistic nations of the world to the fullest extent.

AMERICAN RECOGNITION

We have tried heretofore to set forth dispassionately the economic and political policies and problems of Russia, but we could not regard our work as complete were we to stop here and not discuss the most important issue at stake between the United States and Russia, namely, whether our government should grant diplomatic recognition to the government of Russia.

From the inception of the United States to the world war it has been our traditional policy to accord diplomatic recognition to any government which has established itself and carries on the functions of legislation and administration. This policy was clearly stated by Jefferson when he was Secretary of State in Washington's cabinet, in the following words:

"We certainly cannot deny to other nations that principle whereon our own government is founded, that every nation has a right to govern itself internally under what form it pleases, and to change these forms at its own will, and externally to transact business with other nations through whatever organ it chooses—the only thing essential is the will of the nation."

Acting upon this principle, the United States recognized not only the revolutionary government of France but all the revolutionary governments in Central and South America which were successful in throwing off the control of Spain. Henry Clay, in advocating the recognition of the Republic of Texas in 1836, reaffirmed this policy of recognizing all *de facto* governments in the following words:

"In cases where an old and established nation has thought it proper to change the form of its government, the United States have not stopped to inquire whether the new government has been rightfully adopted or not. It has been sufficient for them that it is in fact the government of the country, in actual operation."

This policy, save for a slight deviation by Secretary Seward during the Civil War, was invariably followed until 1913. We imposed no other conditions upon the revolutionary governments of Europe, China and Latin America than that they should be actually in power. It is true that during recent years we made certain modifications in this policy, notably as regards the Huerta government of Mexico and those of Central America seizing power by force. But whatever may be the justification which our government may claim under the Monroe Doctrine for such acts, we submit that they do not provide any valid precedents for denying recognition to Russia, since the Monroe Doctrine can not apply to Europe.

We are indeed already granting diplomatic recognition to governments such as those of Chile, Spain, Portugal and Italy, which depend primarily upon military force and not upon popular approval for their maintenance in power. We also recognize other governments such as those of Greece, Bulgaria, Poland and Hungary, where the real power of a military dictatorship is only slightly more disguised. The government of Russia rests upon a firmer foundation of popular support than those of these other countries. It cannot therefore consistently be refused recognition because of its revolutionary origin so long as we have diplomatic intercourse with these other governments.

The policy of recognizing *de facto* governments is essentially wise, else each nation would claim the right to pass judgment on the internal affairs of every other country. This would be provocative of almost endless confusion in a world where there are great differences as to the proper forms of government and the proper economic policies to be pursued.

The recognition of Russia by the United States would also serve to lessen the menace of any foreign coalition against her, and by removing much of the fear of external aggression would lead to more democratic procedure within Russia itself. As we have pointed out, the execution of the 20 monarchists was

largely due to the fear that England, Poland and Rumania were planning to attack Russia. The dread possibility of war also weakened the attempt of the opposition within the Communist Party to democratize the party machinery. If the menace of war could be removed, the movement for more democracy would inevitably gather greater strength. Freer discussion within at least the Party would, we believe, develop very quickly, and the decisions made by the central bodies would be more subject to debate and hence to revision. Those, therefore, who wish to see more democratic methods established in Russia are directly defeating their purpose if they oppose recognition, for by increasing the isolation of that country, they are arousing the military spirit which is always fatal to liberalism of any sort.

Recognition would also be advantageous to American investors. The Russian government is eager to build new factories and to outfit existing plants with the most improved equipment. But this requires enormous amounts of capital. Capital is now being supplied from the profits of industry and from state savings, but in order to develop Russia into an industrial nation, literally billions of foreign capital could be used, with profit not only to the investors, but also to the American manufacturers of machinery and mechanical equipment, with whom most of such a loan would be spent. German banks have recently loaned $15,000,000 for five years to Russian industry for the purchase of German equipment. Sixty per cent of this was underwritten by the Deutsche Bank, but the prices charged were so high that a handsome profit was made by the German firms. An ironical feature of this transaction is that American credits to Germany made possible this loan to Russia and the consequent profits to German rather than to American business houses. It also served to employ German rather than American labor.

Constructive loans to Russia would be difficult and perhaps impossible to make under the present policy of our government.

In the first place, it is not unfair to the State Department to say that it would in all probability discourage such investments were they submitted to it for approval, as they necessarily would be. Secondly, if recognition were not granted, the American investors would have no diplomatic channel through which to make representations for the equitable settlement of any misunderstanding but would have to depend solely on the Russian courts for the interpretation of these contracts. The Soviet authorities have thus far been scrupulously just in their dealings with all those foreigners with whom they have had business dealings. They have voluntarily altered the terms of the original Harriman and Krupp concessions in order to make them fairer and more favorable to the investing interests. Americans doing business in Russia have told us of their completely satisfactory relations with the Soviet government. But while there is every expectation that this will continue in the future, investors will naturally be reluctant to believe this fact, thus seriously impeding any substantial loans.

Thirdly, if loans on a considerable scale were to be made, it would be necessary to float them on the open market and dispose of them to the investing public. It would doubtless be impossible to secure any considerable purchase of these securities unless the investors were given reassurance by the recognition of Russia.

Such solicitude for the profits of American capitalists may seem somewhat incongruous on the part of a delegation of American workers. We are not concerned about the gains of American capitalists. They are quite able to take care of themselves, and many of them openly favor the recognition of Russia as a direct benefit to their own economic interests. Yet American labor has even a greater interest in this question than the capitalists, involving not profits for a few but employment for thousands. Every intelligent worker can see that a large loan to Russia to finance the purchase of American machinery would directly result in giving a bigger pay en-

velope to American labor and would stimulate the prosperity of the primary industries of the nation.

Finally, we believe that nearly all Americans want to live in friendship with the people of Russia. Such friendship is greatly hampered by the present difficulties of travel and communication. Some time recognition must come, and with it the recommencement of friendly relations. It is simply unthinkable that the two largest nations in the eastern and western hemispheres should not live on terms of good will with each other.

If all these considerations should impel us to recognize Russia, what factors in the past have prevented us from doing so, and what is their validity? The former contention that Russia could not be recognized because she had no stable government and did not provide security for life is no longer valid. The Russian government has been in existence for ten years, and has repelled many attacks upon it, while life is more secure there than in some parts of our own country. If our traditional policy of recognizing *de facto* governments be correct, then surely the present government of Russia merits recognition.

The three vital demands which the United States has in the past made upon Russia as the price of recognition are: (1) Full compensation to the American owners of property in Russia confiscated as a result of the revolution, and full payment to the American holders of Czarist bonds. (2) Payment to the United States government of the $93,000,000 loaned from 1917 on, to Mr. Bakhmetiev, the Washington representative of the short-lived Kerensky government. Secretary Hughes in his note of December 21, 1923, insisted that both of these claims should be fully acknowledged by Russia in advance of any conference between the two countries, and that they could not be adjusted around the conference table. (3) Complete abstention from any propaganda designed to overthrow the government of the United States.

If we may begin with the last point first, it should be clearly realized that the Russian government, through Chicherin, Commissar for Foreign Affairs, has repeatedly declared that it would not indulge in communistic propaganda in the United States, and that its legation and consular offices would be devoted solely to the conduct of official business, as they have scrupulously done in all the 24 countries that have recognized Russia.

It may be objected, however, that the Communist International would still continue to carry on its propaganda and that this organization is supported and controlled by the Russian government. The fact is that the Soviet government has no control, as a government, over the Third International, which is the central union of the communist parties of 67 countries, although the Russian party controls the government and is dominant in the Third International. The government, as such, has no power of dictation over the 67 diverse and often disagreeing national parties or their central body.

Furthermore, the Russian government itself has scrupulously refrained, since the conclusion of the great war, from using its diplomatic service as a means of carrying on communistic propaganda. It is prepared to give definite guarantees to this effect, and there is small doubt that it will discharge any overzealous communist who seeks to use diplomatic immunity for this purpose. In our judgment, the United States can hardly ask for any more complete assurance than this.

Nor should we be afraid of any criticism or agitation which the communists may conduct against our economic or political system. To the extent to which our institutions are sound, they can successfully withstand criticism. Those who wish to suppress all such criticism are thereby tacitly confessing their fear that our institutions do not have sufficient merit in themselves to command the allegiance of the American people. We have no such timorous doubts as to the fundamental worth of the democratic principle of free discussion. We are confident that any such changes as may be necessary can be brought

about through peaceful democratic processes, if the propertied classes only show that regard for obedient acquiescence in the decisions of the majority which they now urge upon the working classes.

Turning to the question of compensation for American property, it is a matter of history that many respectable nations have practiced the confiscation of property without compensation and have even repudiated their debts. Thus England under Henry VIII confiscated church property, while the French Revolution seized the lands of the nobility and clergy. In the new states which were created by the world war there has been a virtual confiscation of a large part of the properties formerly owned by the landed nobility of the central empires and of the Baltic states. All these confiscatory acts are now sanctified by usage. Nor, lest we should become self-righteous, should we forget that a number of our own states repudiated their debts during the years following the panic of 1837, and that after the Civil War reconstruction period, many southern states also repudiated the bonds which had been issued during the régime of the carpetbaggers. Governments, indeed, being sovereign, have the legal right of confiscation.

Nevertheless, the responsible heads of the Russian government declared to us their willingness to make a settlement in full both for the property of Americans confiscated at the time of the revolution, and for the bonds of the former Czarist government held by Americans, provided that such a settlement would not constitute a precedent compelling Russia to grant similar treatment to other countries.

The American holdings in Russia at the time of the Revolution were not large, being estimated by the Soviet government at approximately $59,000,000, and were mainly confined to such concerns as the General Electric Company, the International Harvester Company and the Singer Sewing Machine Company. The holdings of Czarist securities amounted only to $75,000,000, and these were largely in the hands of the New

York Life Insurance Company. While the Soviet government is willing to pay these claims to the American holders, it can not formally acknowledge its obligation for all the debts of the Czar's government.

A very important diplomatic principle is at stake here, for Russia has already signed treaties with Germany, Italy, Belgium and other countries which bind her to give to these nations the same treatment as to confiscated property which she accords to the most favored nation. The draft treaty with England negotiated by the MacDonald government, but not finally ratified, and the proposed treaty with France contain somewhat similar provisions. Since the major portion of Russian industry was owned by citizens of these various countries, and since several billion dollars' worth of the Czarist bonds were held in France, for Russia to give formal diplomatic acknowledgement of the small proportion of the property and debts held by Americans would oblige her to repay these huge sums to the nationals of these other countries. This would mean giving up some of the most substantial fruits of the revolution to the very nations responsible for inflicting the severest damage by their intervention, and undoubtedly would never be acceded to by the Russian people. In our opinion, therefore, the rigid demand made by ex-Secretary Hughes for an explicit acknowledgement of these debts in advance of and as a prerequisite to the holding of a conference is an impossible condition. We believe instead that our government should be willing to enter a conference with Russia where these claims could be adjusted in a general settlement that would fully protect the interests of all American creditors without involving Russia's diplomatic relations with other nations under the most favored nation clause.

The loan of $187,000,000 to the so-called Bakhmetiev government stands upon a somewhat different footing. Most of this money was used by Bakhmetiev after the fall in November, 1917, of the Kerensky government, which he represented in

the United States. Mr. Bakhmetiev subsequently remained in Washington for several years, being recognized during this time by the State Department as the official representative of the Russian government, although his government was non-existent. The major portion of these funds was used, with the knowledge of our government, to purchase military supplies for the armies of Admiral Kolchak and other counter-revolutionists, who invaded Russia and attempted to overthrow the Soviet government. It is obviously the height of unfairness for our Government to insist upon collecting from the Russian government the cost of the munitions which were used in an attempt to crush it. Yet the Commissar for Foreign Affairs of the Russian Government expressed to us his willingness to admit even this claim, provided that he can in return file claims for the damages done to Russian property by American armies and by the munitions furnished by the United States. We should not forget that, without any declaration of war on our part, an American army invaded Russia in 1918 and helped to kill Russian citizens and to destroy Russian property in the Archangel district. An American detachment also accompanied Kolchak's Army and, although it abstained from actual combat, it lent the moral support of America to the counter-revolutionary forces and operated railroads for their benefit. The munitions bought with money furnished by the United States were also used to damage Russian property, as those of us who have seen the depredations wrought by Kolchak's army in the Ural districts and in Siberia can testify. Russia's claim for compensation on these counts seems perfectly valid. A striking precedent in international law to support this view is furnished by the Geneva award in the Alabama case. The British government was here held liable for damage caused to American shipping by the Confederate battleship Alabama, which had taken to the seas from a British port with the knowledge and consent of the British government. If this claim was adjudged valid, the United States and the

governments of Europe should be even more liable for damages caused in the absence of a declaration of war by their armies and by munitions which they furnished.

On these reasonable bases Russia is willing to negotiate an immediate settlement that will give substantial justice to American holders of Russian property, while at the same time not compelling Russia to pay billions of dollars to the nationals of the other European countries, whose claims do not stand on the same moral basis.

We therefore strongly recommend that the United States take immediate steps to recognize Russia, since (1) it is in harmony with our sound historical foreign policy; (2) it would lessen hostile foreign threats against Russia, and by reducing the fear of external aggression would lead to less repressive and more democratic methods in Russia itself; (3) it would promote American trade and industry; and (4) it would strengthen the ties of friendship between the peoples of these two nations.

A SECOND DELEGATION

For all of us this journey into Russia has been a fresh experience. We, as others, had not been immune from the cross-currents of opinion which have disturbed most western minds. Some of the conflict and confusion has been, for us at least, resolved. We have something of a picture of reality. The vastness of the Russian experiment is overwhelming, but that has served mainly to emphasize the dignity of achievement in the past few years and to sharpen our anticipation of what may come. For Russia's success lies mostly ahead of her. The conditions for this success we have tried to make clear. They lie not only in the resources of the land and the renewed vitality of the people; but also in a measure of understanding and forbearance abroad. Russia can go on; we are convinced of that. Her government is moving towards strength and the stable institutions of peace. But she cannot go on to the kind of success which lies within vision without freedom from malicious interference in her affairs.

To be let alone would be a measurable assistance to the development of her internal strength. To be recognized *de jure* and to have bridges of commerce and communication reestablished with other nations would be still more effective. There are those who would neither let her alone nor recognize her existence. This seems to us an arrogant attempt to determine the institutions through which the life of one-tenth of the world shall express itself. It leads directly to forcible domination. We venture to make to others what seems to us a true description of reality because it is only in an atmosphere of ignorance and misrepresentation that such an attitude can influence opinion.

This is the first time that representatives of American labor have gone to Russia. The best auspices for such a second

investigation as we hope will soon come, would, of course, be those of the American Federation of Labor and the major labor organizations representing officially the organized workers of America. We trust that the time will also soon come when the Russian workers can send a delegation to the United States to learn something of the purposes and problems of the American labor movement. After all, Russia has a workers' government. If it has made mistakes, or if mistakes are now being made, this ought not to cause complete outlawry from association with the workers in the United States. Only by creating the fiction of a situation which does not exist can the fact of this workers' government be ignored. We hope that this fiction will in time give way to the truth and that the official body of American workers will at least go to see and try to understand.

(Signed)
JAMES H. MAURER, *Chairman*
JOHN BROPHY
FRANK L. PALMER
ALBERT F. COYLE, *Secretary*

THE END