

- INTERNATIONAL -
PRESS
CORRESPONDENCE

Vol 6 No. 66

14th October 1926

Editorial Offices and Central Despatching Department: Berggasse 31, Vienna IX. — Postal Address, to which all remittances should be sent by registered mail: Postamt 66, Schliesstach 213, Vienna IX.
Telegraphic Address: Inprekorr, Vienna.

Nine Years of Proletarian Dictatorship.

CONTENTS

- O. W. Kuusinen: The Fiery Test.
The Ninth Anniversary of the Proletarian Dictatorship in the Soviet Union. (Theses for Agitators.)
C. Javorsky: The Soviet Union and the Imperialists.
M. Tukhatchevsky: The Territorial System in the Red Army.
S. Strumilin: During Nine Years.
Ulitzky: State Industry in the Soviet Union in 1926.
P. Leshynev-Finovsky: What is the Soviet Power doing for the Improvement of Peasant Farming?
K. Vitold: Workers' Co-operatives in the U. S. S. R. on the Ninth Anniversary of the October Revolution.
N. Klaturin: The Position of the Handicraft Workers and Artisans in the U. S. S. R.
N. Semashko: The Position of Intellectuals in the U. S. S. R. The Code of Labour Law.
V. Yarotsky: The Rights of Trade Unions in the U. S. S. R.
N. Yekhovskiy: Social Insurance in the U. S. S. R.
Etinger: Fifth Anniversary of the Development of Agricultural Co-operation in the U. S. S. R.
C. Gaister: The Main Conception of the Regime of Economy Being Conducted in the U. S. S. R. Statistics.

The Fiery Test.

By O. W. Kuusinen.

Before the October revolution, the best prophets of the Western countries looked across to Russia, and declared: "Anarchy will soon triumph there".

This prophecy was not fulfilled. Order was victorious; the power of organised labour.

And how often, since then, has Soviet Russia belied the best prophets of the Western countries by the skill with which it has cut the Gordian knot, whether by the sharply whetted sword of theory, or by the sword of Alexander the Great.

The Western prophets fall into the same error again and again. There is one factor which they invariably forget: the Bolsheviks. The rest of their calculations have been very correct.

It is true that General Ludendorff might have captured Petrograd in 1918. But the Bolsheviks concluded the peace of Brest Litovsk. It is true that the first of General Krasznov's

troops, or the Czecho-Slovakian legions, might have occupied Moscow — if the Bolsheviks had not organised the Red Army. And the masses of the peasantry might have followed the prophecy of Karl Kautsky, and transformed the proletarian revolution into a temporary and chaotic peasant insurrection, a mere episode in bourgeois evolution, had the Bolsheviks organised no proletarian class struggle in the country.

The Bolsheviks, with weapons or tools in their hands, the Bolsheviks with written and spoken word, with diplomatic notes and trade agreements, the Bolsheviks with food taxation and Party purging — again and again have arrived on the scene and upset the calculations of the paid prophets of capitalism, from Kautsky to the last Menshevik, from Krasznov to Petyura and Pilsudski.

This was particularly the case in October 1917.

It has been said that the Bolsheviki had an easy victory at that time. This may be so, but the victory was not so easy that it could have been won without a struggle.

It is true that at that time the objective prerequisites for the proletarian revolution were mature and favourable. No doubt it was easy to see that the Kerensky soap bubble was bound to burst speedily, that the bourgeoisie had mere talkers in their constitutional assembly, and no real power, and that Czarist reaction had no more powerful forces at its disposal than a few bandit chiefs of the type of Kornilov.

The victory of the proletarian revolution was therefore possible. And yet it might have failed to come about. Without the Bolsheviki it would undoubtedly have failed to come about. Matters might have turned out very differently: anarchy, or the dictatorship of the White Generals, or fresh attempts at a coalition with the bourgeois parliament, or the dismemberment of the country into a multitude of conflicting republics and the dissolution of the proletarian class struggle into a chaos of confused separate struggles in own and country. Any one of these eventualities was historically as possible as the victory of the proletarian revolution.

The Bolsheviki stepped in at the decisive moment and directed the course of history. The moment had not yet arrived when the struggle for power was inevitable. Yet the Bolsheviki intervened. Their struggle, and their leadership of the struggle, converted the possibility of victory into actuality.

That this issue was by no means a matter of course may be seen from the object lesson of events in Finland. The Russian October revolution was immediately followed by a revolutionary situation in Finland. General strike. Vague but great expectations among the masses of the working people. Parades and drills of the unarmed Red Guards. Long nights of discussion among the Party and Trade Union leaders. Irresolute vacillation for many days and nights. And then the calling off of the general strike.

In those days the victory of the workers' revolution in Finland would have been possible. But the struggle was not absolutely unavoidable and was avoided. There were no Bolsheviki.

A few months later and the position in Finland was reversed. Now the struggle was inevitable, but victory no longer possible.

What were the Bolsheviki in October 1917?

An organisation. Not such an organisation, it need scarcely be said, as they are today. But even at that time they represented a powerful proletarian organisation.

A Party organisation gathered round a central core of tried and tested revolutionists. An organisation with the experience of many years of detailed revolutionary work in the factory nuclei, hardened by conspirative Party work of every description, schooled by long fractional struggles; trained in the school of revolutionary class war to the natural centralisation of a fighting organisation, to strictest Party discipline and readiness for duty; fired and enlightened by the experience won in the great mass actions of 1905 and later; and finally victorious, as leader of the open Party struggles of 1917, against the Mensheviki and Social Revolutionists, in the struggle for the majority in the soldiers' and workers' councils, and for the confidence of the working people and of the army.

The Bolsheviki have formed an efficient revolutionary workers' party, ever prepared, competent, and tactically elastic. Their leaders have been true Marxists, never imagining themselves to be infallible, and yet never paralysed by an exaggerated fear of committing mistakes, but rather learning the lesson of past errors.

This has been a Party able to emerge with honour from the fiery test.

The great change of function in the historical "October Days", the transformation of a political party into the leader of an armed revolutionary struggle — this was the ordeal by fire passed through by the Bolsheviki. It is true that they did not find the change of function in October 1917 to be any super-human task. The situation did not demand from them the enormous exertions which have doubtless to be faced by our com-

rades in the West European countries. The preparations for revolutionary war made by the Bolsheviki in October were by no means so perfect as those of our comrades of Western Europe will certainly need to be in order to ensure victory. It is possible that the degree of revolutionary fighting readiness possessed by the Bolsheviki some years ago will never again suffice in any capitalist country.

But at that time in Russia it sufficed. The Bolsheviki were the historically adequate instruments of the October Revolution. They were competent to cope with their task. The proof of this is still in their hands.

The same critical moment is approaching in Europe. Victory is possible. Its prerequisites are fermenting and maturing. To us, indeed, the rate of advance appears slow. But in actual fact great things are taking place, week by week, beneath the husk of capitalist society.

The social traitors are the last allies of the capitalist rulers. But a traitor is not an absolutely reliable armour bearer to his new master, any more than to his old one.

The mere existence of Soviet Russia renders the situation more hopeless than ever in capitalist continental Europe. Deprived of the foodstuffs and raw materials which they once obtained from Russia, and of the Russian markets for their goods, the European capitalists are hard put to obtain their profits. But the revolutionary labour movement is all the more roused to enthusiasm by the flag of Soviet Russia.

The decentralising nationalism in Europe, supported in part by British imperialism, is forced to defend itself against French efforts at centralisation. The greater the progress made by the alliance of extreme sabre rattlers all over the continent of Europe, the more it calls forth various coalitions among the bourgeois democracy, especially among the oppressed nations. In this way even the rapacity of French capital serves to increase the confusion of capitalist Europe. The devil cannot do otherwise.

With the same necessity by which the Earth turns on its axis, is the fate of the capitalist countries of Europe hastening towards its next inevitable historical turning point.

Some day the moment will arrive. We shall be at the turning point. The old order totters, the old bonds of society loosen. There will be a cry for the overthrow of the old power, an appeal to the prepared and faithful leaders of the proletarian revolution.

It may be that then the struggle will be unavoidable, that History will force the Party of the proletariat into it. "Here you must fight, be vanquished or victor!"

This position is the easiest to face. Even death may be easier to a slave than to advance to the fight before an irresistible pressure urges him into it.

It may be that when the time comes, Destiny with outstretched finger will say: "Here you can gain the victory. Everything is ready. If only you are ready."

This would be more difficult to face.

Are our comrades prepared?

Among the masses of the proletariat all over the world there are hearts beating for the revolution, for the social world revolution set rolling by the Russian proletariat.

The will is there. The power is there. October will be there.

But are the Bolsheviki there?

Comrades in Germany, in France, in England, in Poland, in Austria, in Italy, and in other countries. Comrades, are you there?

Only in a state of society where there are no classes and no class antagonisms will social evolutions cease to be political revolutions. Until then, on the eve of every general new formation of societies, the last word of social science will always be: Fight or death, bloody war or oblivion. This is how the inexorable question is put.

(The Poverty of Philosophy.)

Karl Marx.

The Ninth Anniversary of the Proletarian Dictatorship in the Soviet Union (Theses for Agitators).

1. On November 7th the toilers of the U. S. S. R., and with them the world proletariat and the oppressed nations of the East will celebrate the ninth anniversary of the existence of the **First Republic of Soviets in the World**. On this anniversary every class-conscious proletarian should sum up the results of struggle of their class brothers in their own country and compare them with the attainments of the working class in the U. S. S. R.

2. The year which followed November 7th 1925 was the first year in which the Soviet Republic having healed the wounds of seven years of war and restored industry to the pre-war level, began to construct a new industry, and extend the economic basis of Socialism. This year also marked a new period in the crisis of world capitalism.

The Leninist teaching on the socialist revolution as the only issue from the post-war blind alley has been confirmed in actual events more than at any other time. The last year has been characterised by the uninterrupted construction of Socialism in the U. S. S. R. and the sharpening of the economic crisis in Europe and the capitalist attack on all fronts, connected with same.

3. The Social Democratic leaders are no longer talking about the downfall of the Soviet regime, the decline of Soviet economy, etc. the actual facts too sharply contradict this anti-Soviet agitation. That is why the main trump of the Social Democratic press is the assertion about the "degeneration" of Soviet Russia, the slowing down of the tempo of economic growth, the alleged retreat of socialist economics before the attack of private capital, the "kulakisation" of the countryside, the ousting of workers from organs of Soviet power by petty bourgeois elements of town and village. Making wide use of absolutely unfounded and in the majority of cases absolutely slanderous cries of the ultra-Lefts about the "degeneration" of the leader of the U. S. S. R. — the Communist Party of the Soviet Union, the Social Democratic leaders have recourse to the last demagogic method, which sounds comic from the lips of the fellow thinkers of Noske, Boncour, Pilsudski and Vandervelde: "The Communists say we are opportunists. But look at the Russian Bolsheviks, that is where there is real opportunism, that is where the cause of Socialism is being betrayed."

4. All this slanderous campaign of the ultra-Lefts and Social Democrats (using this campaign, by the way, one can best of all demonstrate the counter-revolutionary role of the ultra-Lefts) is founded partially on absolute falsehood, and partially on complete ignorance. Facts refute their assertions.

Firstly the growth of socialist elements in the economics of the U. S. S. R. is steadily continuing. The State has expended more than 750 million roubles on new industrial construction. Giant engineering works have been constructed, such as the Volkovo, hydro-electric power station (Volkhovstroj); a number of factories in the Ukraine and along the Volga have been restored and set going and many new combined factories and various factories and works are being constructed.

If we compare the bare figures of extension of production (which the enemies of the U. S. S. R. do) during last year and this year, of course the percentage of growth in the amount of output and number of workers in the second instance is less than in the first. But this by no means testifies a slowing down, or what is more the failure of Socialist construction, for during the preceding year the percentage of increase was most exclusively to be accounted for by the repairing of old factories while during this year it is distributed between the repairing of old and the construction of new factories and works, the building of a number of which will be completed only in 1927 or 1928. The prospective plan of the development of industry proposes not a decrease but on the contrary, a systematic increase of the sum of capital expenditure. Thus for instance the preliminary figures of the Gosplan (State Planning Commission) estimate capital expenditure in 1926—27 at 845 million roubles as against 750 million roubles in 1925—26. To prove that there is no retreat whatsoever from Socialist economics is testified by the more rapid tempo of development of industry as compared with agriculture. Whereas, for instance, the production of agri-

culture during the past year grew only by 7%, the output of industry increased by 14% and the production of heavy industry even by 19.7%. If we take a longer five-year perspective plan of development of national industry, we find the estimate proposals of Gosplan, show a 110% increase of industrial production and 20.8% increase of agricultural, the trading section of peasant production it increased by 42—43%.

Secondly, there has been absolutely no retreat of socialist economics whatsoever before private capital. Private capital, playing a negligible role in the process of production, during the past year has not increased its role here despite even the attempts of the State to bring it into the process of production. Private Capital displays a certain activity only in trade. Last year private capital undoubtedly utilised the shortage of industrial goods to revive its own speculative activity. But at the same time the growth of co-operation and State trade did not stop and ousted private capital from a number of sectors of the commercial front. Hence, one may only speak of a slowing down in the tempo of ousting the "private trader" during the past year. From the point of view of the accumulation of capital, the State economy is many times more powerful than private capital.

Last year was marked by certain economic difficulties. But these economic difficulties in the first place were difficulties of growth and therefore quite different from the crisis of capitalist countries; secondly, they were difficulties arising from the historically inherited disproportion between industry and agriculture. The Soviet Republic, ruined by seven years of war, and deprived — as a result of the financial blockade of international capital — of the possibility of receiving large credits abroad, has been compelled to industrialise with its own resources. The industrialisation of the country is the fundamental strategic slogan which the Communist Party put forward at the XIV. Congress, endeavouring to fulfil the fundamental behest of Lenin: to organise a correct exchange of wares between town and village and bring agriculture on to the rails of collectivism. The severe "regime of economy", now being conducted by the Party and authorities with the full support of the toiling masses, the increased campaign for a regime of economy in life and in accordance with this increased investments in savings banks, the system of international loans — such are the main methods for seeking the financial resources, necessary to strengthen industrial construction.

The reorganisation of production conducted by means of technical improvements raising the productivity of labour, all kinds of lowering of overhead charges which have overburdened the cost of production, improvement of the quality of production — such are the main measures which enable socialist industry to ensure an alliance with agriculture.

5. Still more fantastic are the assertions about the "degeneration" of the Soviet State. The Social Democratic leaders dreaming of a restoration of bourgeois democracy in Russia (i. e. the democracy of Hicks-Hindenburg) are disappointed with the fact of the strengthening of the political power of the Soviet State which is the result of the wise policy of extending Soviet Democracy. In their endeavour to conceal the fact of the strengthening of the political alliance of the proletariat and peasantry in the U. S. S. R., the fact of the extension of Soviet Democracy they hypocritically assume the guise of enemies of "kulakisation". Can the fact of the increased number of electors in the 1925—26 campaign (as compared with 1924—25) from 17 million to 19.5 millions, be called a sign of the "degeneration" of the Soviet State? Can the fact of the increase (in the villages) in the percentage of peasant electors from 41 to 47, and in the towns the increase of the petty handicraft workers, workers not organised in trade unions, workers' wives, etc., who formerly stood almost quite aside from participation in elections to Soviet Organs, from 24—37% be called a proof of the decline of the proletarian dictatorship in Russia? Can the increased percentage of peasants in the lower Soviet organs (rural and volost committees) which are the main weapon for drawing the peasantry into the apparatus of the Soviet State be regarded as a change in the substance of the proletarian dictatorship? Soviet, i. e. pro-

letarian democracy, is actually distinguished from bourgeois democracy by the fact that instead of priests, landowners, and village traders it promotes the farm labourers and toiling peasants as "masters" of the countryside. If we remember that the activity of the main section of the toilers of the U. S. S. R. — members of the trade unions — has increased (percentage of participation of this category increased from 52 to 57) and that in all the leading Soviet organs the position of the proletariat remains unshakable, then, the fact of the increased activity of the peasants (though far behind the activity of the toilers organised in trade unions) of the handicraft workers, workers' wives, will merely go to show the strengthening of the political alliance of the proletariat with the strata of the toilers. And if we remember Lenin's watchword that the alliance with the Peasantry in Russia is the main task of the ruling proletariat, then we will understand that the ninth year of the existence of the Soviet Republic in Russia has been a year of strengthening the Proletarian Dictatorship. This strengthening of the proletarian dictatorship has taken place side by side with an extension of the proletarian basis of the dictatorship — the growth in the number of industrial workers (from June 1925 to June 1926 300,000 new workers were brought into heavy industry), as well as an increase in the proletarian kernel in the Communist Party itself.

6. On the basis of the growth in the internal power of the Soviet State during the past year the influence of the Soviet Union on an international scale has also continually grown. The endeavours of the Soviet Government for peace have been strengthened. The Soviet Government has patiently tolerated the behaviour of the puppet of imperialist Japan — Chang-Tso-Lin who has broken the Soviet-Chinese treaty and his own treaty with the U. S. S. R. and openly provoked the Soviet Government to military encounters.

The Soviet Government has displayed the maximum of self-restraint, for her policy is different in principle from the imperialist colonial policy of Czarist Russia, the Soviet Government is more anxious than any other that the Sovereignty of the Chinese people should not be infringed.

The Government of the U. S. S. R. took the initiative in respect to guarantee treaties with the Baltic States, the conclusion of which has been delayed up to the present day — as the former Estonian Ambassador in Moscow Birk has publicly disclosed — because of the resistance of Poland and the military circles of other Baltic States.

Strictly carrying out a policy of peace the Soviet Government at the same time has frequently made it understood to the whole world that it is a revolutionary government of the victorious proletariat. This, for instance, was the case on the occasion of the incident with the British Government concerning the latter's note in connection with the monetary aid of the A. U. C. T. U. Then the People's Commissariat for Foreign Affairs in reply to the British Government, pointed out that the Soviet Government is a government of the working class: "the role of the Communist Party in the working class movement of the U. S. S. R. and its trade unions can in no degree shake the principle of their self-activity and independence in all spheres of defence of the interests of the working class and their trade union struggle, including of course the matter of relations between the fraternal organisations of other countries and the mutual exchange of aid in case of necessity. These rights of the workers in trade union organisations are recognised, although not in any distinct form, at least de-jure in all West-European countries, and in the U. S. S. R. these rights of the trade unions are assured both de-jure and de-facto by the very structure of its state and nature of its political regime.

7. The balance sheet on the ninth anniversary of the Soviet regime may be drawn up with a credit balance in the matter of the extension of the Socialist elements of the country's economy, the strengthening of the alliance of the proletariat and peasantry and drawing the wide masses into Soviet construction. The peoples of the U. S. S. R., particularly the small nations, which were oppressed by Czarism, are energetically engaged in building up economy in a new life. The Soviet Republic is steadily proceeding along the path indicated by its great Leader.

8. But can the proletariat of capitalist countries draw up a balance sheet showing such a favourable credit left over from the past year? Not by any means. Decaying British capitalism has compelled millions of miners to a five months starvation lock-out and has diminished the already low standard of living of

the miners. Ahead there looms the capitalist offensive against other sections of the British proletariat and the offensive of the coal magnates in Germany, France, Czecho-Slovakia and other countries. The German bourgeoisie during the last year has thrown millions of unemployed onto the streets, has put new taxes on the shoulders of the toilers, has enforced new customs duties, and is conducting a continuous attack on workers' hours' and wages. The renegade of Socialism, the present fascist dictator Mussolini, has compelled the Italian proletariat to increase its working day by a whole hour. And is the position any better with the French and Polish workers whose living standards are being lowered to an unprecedented degree by the criminal inflation policy of the bourgeoisie? In Norway, Czecho-Slovakia and Austria, where indeed has the working class not lost its economic positions during the last year. Capitalism, which has led peoples into a blind alley is endeavouring to come out of it at the expense of millions of unemployed, at the expense of the frantic exploitation of the workers remaining in the factories, at the expense of the taxes, duties, and reducing wages. At the same time in the Soviet Union the 8-hour working day remains unshakable, wages are slowly but surely increasing, workers' dwellings are being built everywhere, social insurance is being extended by the State and taxes increased, on private capital. Let every conscious worker compare these results and say: whether Lenin was right or wrong in summoning the proletariat of Russia to the October Revolution, and whether the reformist leaders are right or wrong in holding back the working class of Germany, Italy, Poland, Austria and other countries from the seizure of power and establishment of their dictatorship.

9. But the international bourgeoisie is not only depriving the workers of their economic conquests. They are endeavouring to deprive them of their elementary political rights, elementary class organisations. The main attack of the bourgeoisie is waged against the Trade Unions. Most brazen of all has been Mussolini in prohibiting all non-fascist trade unions. The British bourgeoisie has been conducting for many months an energetic campaign to limit the rights of the trade unions. The bourgeoisie of other countries are acting no less energetically with the object of cutting down the right of the trade unions and restricting the electoral rights of the working class in the already restricted and powerless parliamentary institutions. In Germany, France, Poland, Czecho-Slovakia and other countries, energetic agitation is being conducted for dictatorship or for a reform, (favourable for the bourgeoisie) of the franchise and for the extension of the right of presidential and executive organs.

The growth of Fascism, the growth of political reaction, the growth in the number of workers imprisoned, the growth of reaction in schools and religion — such is the political resume of the last year. At the same time in the Soviet Union the productive functions of working class organisations extend, the network of the so-called productive conferences of the workers and factory administration increases, the trade unions are steadily increasing their number of members (a growth of one million during the last year) and have the entire support of the proletarian state. Simultaneously the number of electors increases in the Soviet Union, the percentage of trade union member electors increases, and the activity of the urban and rural soviets is stimulated by scientific circles in workers' clubs, village libraries of various kinds, etc. Let every conscious proletarian compare these results and say: who was right: Lenin or Ebert, Lenin or Masaryk, Lenin or Pilsudski, Lenin or MacDonald?

10. The working class of capitalist countries, and above all the proletariat of the two most advanced industrial countries, Great Britain and Germany have undergone great privations during the past year. Every conscious proletarian is beginning to understand that it is impossible to continue to live on such lines any longer. What do the official leaders offer them, what are they doing in order to ensure the workers' victory in their conflict with capitalism?

Every worker has probably not forgotten how the German reformist leaders sabotaged for many months the struggle for the confiscation of royal properties, and how they — at a time when millions were unemployed — could not find any other policy of struggle in an economic crisis than the policy of supporting the capitalist "reorganisation of production", which means stabilising many millions of unemployed, lowering wages, and increasing the tax burdens of the toilers. The workers will not forget how the reformist leaders rejected the united front

proposed by the Communist Party for a struggle to control production, and for radical aid to the unemployed.

Every worker has probably not forgotten how the French reformist leaders could not find any other means of fighting inflation than that of supporting "a Dawes Plan" for France, the rejection of the united front, proposed by the Communist Party and the revolutionary trade unions in the struggle for the nationalisation of the banks and a ruthless taxation of big capital.

Still fresh in the mind of every worker is the memory of the shameful, strike-breaking conduct of the reformist leaders of Great Britain, Germany, Holland, France, Poland, America, and other countries during the days of the Miners' Strike. Did not the General Council deal the miners a blow in the back by calling off the General Strike without the knowledge and agreement of the Miners' Leaders? Have not Thomas, Havelock Wilson, etc., played the role of strikebreakers in not hindering the transport of foreign coal to England? Were not the reformist leaders of Germany, France, Holland and America, 100% strike breakers in not paying attention to the appeal to the Miners' Federation and the proposal of the A. U. C. T. U. to declare an international miners' strike, or at any rate to prevent the transport of coal to England? Was not the strike of millions of miners betrayed by the Amsterdam International sabotaging financial aid to the miners? While the organisations of the Amsterdam International, numbering more than fifteen million members, have not even given a hundred thousand pounds, Soviet Trade Unions have sent about a million pounds sterling from the meagre contributions of their members.

The revolutionary struggle of the Russian proletariat has forged such a sentiment of class solidarity in them as has made them capable of any sacrifices in the interests of international working-class solidarity. Only under conditions of the proletarian order, the trade unions of the U. S. S. R., found the means for mobilising all workers of the entire country for aiding their British brothers.

We see quite a different thing in the West.

The German G. F. Z. C. D. Union bureaucrats have demanded interest on the amount they have given to the British Miners. Has there ever been in the whole history of the International Labour Movement anything more shameful and more revolting than this fact of stamping on the elementary feelings of class solidarity? The Leiparts and Glasemans have trampled the banner of Marx, Bebel and Wilhelm Liebknecht in the mud!

The British Miners' Strike has shown that the reformist leaders do not care a fig for the international solidarity of the proletariat. It also shows that the reformist leaders cannot ensure victory to the proletariat in their economic struggle, because they fear more than anything else to infringe the class laws of the bourgeois state and because they do not know any methods of struggle other than constitutional ones, while the bourgeoisie itself abolishes liberties and laws, introduces emergency powers, mobilises the police, fleet, etc.

The lessons of the class struggle of the international proletariat during the last year have once again confirmed the truth that there is no other way of beating back the attack of the bourgeoisie except the United Front of the Working Class, fighting under the banner of an implacable Class Struggle. Only after breaking the resistance of the reformist leaders and compelling them to agree to the unification of the trade unions within the country, only after deciding on an irreconcilable struggle for control over production, and the transfer of burdens to the bourgeoisie, for radical aid to the unemployed at the expense of the bourgeoisie and the landed aristocracy can the working class find a true path of struggle. Once having adopted this path, once having commenced this struggle under the banner of the united front, the working class will see that there are no other means of reinforcing their attack and of bringing their struggles to a victorious finish except the seizure of political power, establishment of the Proletarian Dictatorship.

"Lenin's path is correct" — that is the unanimous conclusion of all workers' delegations visiting the Soviet Republic. But if Lenin's path is correct it would then follow that the path of Vandervelde, who has brought the workers of Belgium under a foreign yoke, the path of MacDonald and Thomas, which has led to the defeat of the million army of the British

proletariat, the path of the Farringtons who have sold the American workers for "100 pieces of silver", the path of Paul Boncour and Jouhaux who consider the interests of Bourgeois France to be the highest principle of their policy — these paths then are paths of inevitable defeats, of complete treachery and deception.

11. The strengthening of the Soviet state, the peace-loving foreign policy of the government, destroying the plans of the imperialists at the time of a most profound crisis in the capitalist countries, and the powerful national revolutionary movement in the countries of the East, above all China, has called forth the rage of international capitalism particularly British. The Locarno Pact and the bringing of Germany into the League of Nations, the Polish-Roumanian military treaty, the attempts of Poland to create a Baltic alliance, the provocative acts of Chang-Tso-Ling, all these are partial manifestations of the single plan of the British Government (Supported also by other imperialist governments) — to isolate the U. S. S. R., to provoke military encounters against her and to prepare military interventions.

This militarist provocative policy of international capitalism is combined with the hypocritical policy of so-called disarmament, endless pacifist speeches at the session of the League of Nations and with a wide press campaign about "Red Militarism". This policy is part of the general imperialist campaign against the U. S. S. R. The hypocrisy of the Social Democratic leaders has been completely disclosed by the numerous statements of the workers' delegations from Germany, England and other countries as also the statements of such people as Lansbury, concerning the profoundly pacifist mood of the people of the U. S. S. R., and the profound endeavours of the Soviet Government for peace. Every conscious worker should entirely adhere to the conclusions of the Workers Delegations. "The cause of defending the first Soviet Republic, is, as before, the vital task of the international proletariat".

12. The ninth anniversary of the existence of the U. S. S. R. is marked by the steady advance of the Soviet country towards Socialism, and by the mass opposition of the Social Democratic workers towards the policy of the reformist leaders who are passive in face of the capitalist offensive. It is marked by the increasing endeavours of the trade union rank and file for a proletarian united front and by increased preparations of international capitalism for intervention and also the growing activity of revolutionary China. For this reason the slogans of the international proletariat on the ninth anniversary should be the following:

Defence of Soviet Union from intervention of international capital.

Strengthening of the united front in the struggle against the capitalist offensive and the struggle for unrestricted rights of the trade unions.

Strengthening of international trade union unity.

Preservation and strengthening of the Anglo-Russian Committee.

Struggle against imperialist intervention in China.

Struggle against the dangers of new imperialist wars.

Struggle against Fascism and political reaction.

Close community of the toilers of the entire world with the country of Soviets.

Long live the Union of Soviet Socialist Republics.

Long live the International Federation of Soviet Socialist Republics.

Agitrop Comintern.

Between the capitalist and the Communist society there lies the period of the revolutionary transformation of the one into the other. Accordingly there will be a political transition period whose State cannot be other than the revolutionary dictatorship of the proletariat.

(Gotha Programme.)

Karl Marx.

The Soviet Union and the Imperialists

By S. Yavorsky.

Germany's entry into the League of Nations formally concludes the work of those English diplomatists who have been aiming at opposing to the Soviet Union a bloc of capitalist states subservient to England through the agency of the League of Nations, and of a number of greater and lesser Locarnos. But the British statesmen, as is usual with bourgeois politicians, have laid their plans without reckoning with the antagonisms existing among the capitalist states, and have not taken into account the development of national and class struggles in the bourgeois states. Thus by the time Germany was really initiated into the mysteries of the League of Nations, and made a knight of the "Order of the Geneva Peace", these processes of development had already led to a radical change in the conditions obtaining in Europe, and Chamberlain had every reason to refrain from making festive speeches, at the moment when Stresemann and Briand were exchanging "expressions of cordial friendship".

The European Steel Trust, this first economic expression of the political co-operation being prepared between France and Germany, at the same time denotes the liquidation of the first move in the crusade planned by British diplomacy against the Soviet Union. Germany had already endeavoured to secure itself, by means of a neutrality agreement with the Soviet Union, against the danger of serving as a cockpit in the case of an attack against the Soviet Union. And now Germany's foreign policy is to seek in France a counter-weight against the demands of England. British diplomacy must now turn its attention to creating a united front against the Soviet Union by means of a rapprochement not to Germany, but to France.

To all outward appearance conditions appear to favour British efforts in this direction. The Poincaré government, though containing the "pacifists" Herriot and Briand, bears the sharp stamp of its aggressive leader. During the two years which have elapsed since the defeat of the National Bloc, nothing has occurred to change the attitude of the obstinate reactionary and convinced imperialist Poincaré towards the Soviet Union. France has pursued a more active foreign policy of late, and it has been inevitable that in leading circles in England there has been a revival of plans for encircling and strangling the Soviet Union with the aid of France.

But can France take any important position in the ranks of the bourgeois States which are prepared to join in the campaign against the Soviet Union? France and England are at loggerheads along the whole line of foreign policy, and there is not a single spot in all the world where these two states have mutual interests. Germany's rapprochement to France, and the impending combination of German coal with French ore, threaten the prosperity and even the existence of English heavy industry. In the Mediterranean the aggressive anti-French policy of the Italian Fascists imitates the endeavours of British diplomacy, which is exerting no inconsiderable effort for the firm establishment of the Italo-Spanish alliance, which is again directed against France. In the South East of Europe, and in the Balkans, England is struggling with France for the dominating position. France's understanding with Turkey is a great obstacle in the way of British plans in the Near East. Under these circumstances it is extremely doubtful whether France will allow herself to be drawn in the wake of England's anti-Soviet plans, unless she can see some prospect of advantage to herself.

It is true, that between the Soviet Union and the French bourgeoisie there still stand the questions of the cancellation of the czarist debts and of the nationalisation of French capitalist undertakings in Russia. In order to accelerate the solution of these questions, the Poincaré government can afford itself the luxury of a trilling swindle, and can, for instance, support the doubtful pretensions of the Russian Asiatic Bank in the East China railway question. But should it attempt to carry on an active policy against the Soviet Union, it would find itself entirely without the support of not only the French peasantry and working people, but of the bourgeoisie, for these have learnt how expensive wars are, even for the victors. And the government itself will scarcely risk an adventure which would inevitably place France in an even more dependent position with respect to Anglo-American capital.

Mussolini may be doing his best to march shoulder to shoulder with British diplomacy, but he possesses sufficient acumen to avoid being accorded the task of fetching the chestnuts out of the Russian fire for the benefit of England. Fascist Italy hopes to gain some colonial possession with the aid of England. But she is not the less perfectly aware that she is not going to receive naphta concessions in the Caucasus, or coal from the Donetz basin, from the hands of British imperialism. A clear understanding for her own economic interests, should induce Italy to live on friendly terms with Soviet Russia. Viewed externally, a tendency in this direction may be seen, for instance, in Italy's refusal to include, in the agreement recently concluded with Roumania, guarantees for the "inviolableness" of Bessarabia, that is, for the rule over Bessarabia.

The "great idea" of the British diplomats at the present time is to create a united front of neighbouring states "from sea to sea" against the Soviet Union. The main axis of this combination is Poland, where the hero of the Kiev campaign, Marshall Pilsudski, holds complete sway since the May upheaval. The present rulers in Poland do not even try to conceal their intentions with regard to the Soviet Union, and a series of quite openly unfriendly acts reveal their perfect readiness to serve the plans of English imperialism, which coincide for the most part with the aims of Polish imperialism. Poland's refusal to conclude the agreement of neutrality and non-attack proposed by the government of the Soviet Union is quite candidly substantiated by the statement that Poland does not care to have her hands tied, since a third power might be at war with the Soviet Union.

The idea of a Baltic anti-Soviet bloc belongs equally to Poland and to England. The extraordinary negligence shown by Finland, Esthonia, and Latvia, who will not take part in negotiations with the Soviet government on the guarantee treaty, again shows that these countries, though forced to give their formal consent to the conclusion of the neutrality agreement, have still, in their negotiations with the Soviet Union, not abandoned the idea of joint action, that is, of a masked bloc under the leadership of a belligerent Poland.

There is no doubt that danger threatens the Soviet Union from this side, for even Finland, though drawing a line in words between herself and the aggressive border states, has nevertheless taken part in the secret consultations held by these states at Geneva, where the atmosphere of "love of peace" appears to have been favourable for the elaboration of plans of military attack.

It need not be said that the Roumanian government, which fears for the future of a Bessarabia occupied by force, and concluded an offensive and defensive agreement with Poland, guaranteeing to both states their present frontiers, is quite ready to participate in any combination directed against the Soviet Union. The project of the anti-Soviet bloc of the states lying on the Western boundary of the Soviet Union will thus be realised in some way or another.

It must however be observed that the Baltic States, although they have come to an understanding with Poland behind the scenes, still do not venture to take up a position openly hostile to the Soviet Union, fearing internal complications. Besides this, certain of these States, Latvia for instance, have not yet settled their conflicts with Poland. Poland still has her eye on the southern part of the Latvian territory, Latvian Gallen. Finland obviously fears to be drawn into the Polish adventure, and Lithuania, afraid of being swallowed wholesale by Polish imperialism, is quite openly opposing the Anglo-Polish plans with regard to the Soviet Union.

The ranks of the States ready to join in encircling the Soviet Union have lately been swelled by a new ally, Marshall Chang-Tso-Lin, ruler of Manchuria. The hostile action taken against the Soviet Union by Chang-Tso-Lin, and the part he has played in bringing about provocative incidents on the East China railway, give every reason to regard the activities of the Japanese diplomatists and Japanese militarists with ever greater mistrust.

The present situation in China, and England's persistent desire to put an end to the Chinese national movement by force, form a favourable ground for an understanding between British

and Japanese imperialism. Information received from the Far East shows us that among the conditions imposed by Japan in return for her participation in an intervention, there is the very important one of trading facilities for Japan in Manchuria and in outer Mongolia. This indicates her open intention to enter into conflict with the Soviet Union at a suitable moment, and that she will not shrink from a recourse to arms. The Far Eastern sector of the offensive of the imperialist powers must be regarded at the present time as one of the most dangerous.

But even here the mutual antagonisms among the imperialist powers do not permit them to come to an understanding, even on the common ground of enmity to the Soviet Union. Japan demands from England, as the price of her participation in the Chinese intervention and in an offensive against the Soviet Union, that England shall abandon the fortification of the Singapore naval base, and share out her sphere of influence in Central China. But England's motive for the naval base at Singapore is precisely the prospect of a war with Japan, and to let the Japanese into the Yangtsekiang valley would mean, to drive out the devil with Beelzebub.

And beside all this, neither England nor Japan can come forward openly until they have secured the agreement of their most dangerous opponent, the United States of America. The American policy of the "open door" pursues, however, the direct aim of supplanting English and Japanese competition in the Chinese markets. America has little reason to strengthen England's position in China, and she notes with equal distrust Japan's intention of getting the whole of Manchuria into her hands.

Besides these antagonisms and conflicts among the capitalists, preventing the formation of any firmly established group having as its object the suppression by force of the ultimate seat of revolution, Soviet Russia, there is another factor to be taken into consideration, and one which is likely to split up the anti-Soviet front, should it finally be formed, from the inside. Now that a new type of State has come into being — the Union of Socialist Soviet Republics — a situation hitherto unknown in the history of international relations has arisen. It is no longer possible to form an unbroken united front against the Soviet Union in any single country, for the proletarian class character of the Soviet Union creates for it allies in every country. All capitalist governments are taking this fact seriously into account, for it is perfectly obvious that the possibility does not exist, in any important country, of mobilising an army for a war against the workers and peasants of the Soviet Union.

It need not be emphasised that the present state of comparative external security enjoyed by the Soviet Union is, for the most part, the result of the unwearying and systematic work of the Soviet country in its efforts towards the restoration of its economics and the firm establishment of its political position. The success of this work is however at the same time partially due to the fact that the leaders of the foreign policy of the Soviet Union, when organising their relations with the bourgeois world, have applied their knowledge of the reciprocal relations and struggle of forces in the capitalist state of society, and have utilised the analyses of social processes bequeathed us by Marx and Engels. Soviet diplomacy contains no element of subjectivism in its estimation of the international situation; thus all the achievements and successes of the Soviet Union in its relations to foreign States have been foreseen and have been realised as soon as the necessary conditions were given.

It was to be foreseen that the capitalist States would be bound to make an attempt, sooner or later, to enter into relations with the Soviet Republics. But the utilisation of the conference at Genoa as an opportunity for preparing the way to the de jure recognition of the Soviet Union by the most important states of Europe, depended to a great degree on the energy and skill of the Soviet representatives. Already the conclusion of a trade agreement with England had dealt a deadly blow at the blockade which had been imposed on the Soviet Republics for a number of years. It cannot, of course, be maintained that the conclusion of this agreement fell into the lap of the Soviet government like ripe fruit. But the estimation and calculation of the secret forces of Franco-English antagonisms, at a time when England still appeared to be in a very strong position, could only be made by a diplomacy equipped with the methods of Marxist analysis.

The successive recognitions of the Soviet Unions following closely upon one another during the last two and a half years,

have made even the idea of the possibility of a complete isolation of the Soviet Union from the rest of the world, entirely illusory. At the present time there is no State whose interests are not, in one way or another, bound up with those of the Soviet Union, even though outside of the confines of official recognition. It is solely with Switzerland and Roumania that no relations whatever exist, and the sole reason for this is that the Soviet government is boycotting these countries.

The Soviet Union has had to content itself in Europe and America with commercial and diplomatic relations with bourgeois States which have been driven by economic necessity to recognise the Soviet Union, but in Asia it has been able to gain a position as the sole State whose friendship is anxiously sought after by all independent and semi-independent countries. It is true that this inclination of the Eastern peoples towards the Union of Soviet Republics, and the example given by the successful struggle of the peoples of the Soviet Union against the united forces of foreign intervention, have drawn down upon the Union the deadly hate of British imperialism. But the fact that the Turkish republic, for instance, has preserved its independence, is incontestably an item on the credit side of the emancipation of the East, and a big success for Soviet policy.

The Soviet government, in renouncing the sphere of influence in Persia, and the slavery contracts imposed upon this country by the czarist government, has enabled the Persian people to concentrate the whole of their powers against reactionary feudalism in their own country, and against the encroachments of British imperialism. The independence of Persia is a heavy blow for imperialist England, which was anxious to follow up the great war by interference in the affairs of the Russian revolution, and by gaining a firm foothold on the rich naphtha-yielding shores of the Caspian Sea and the Persian Gulf.

The Soviet government was the first to recognise the independence of Afghanistan, and thus aided the Afghan people to free themselves from the usurious overlordship of British imperialism. The outcry raised by those English who derive profit from colonies and war, at the Soviet danger alleged to be threatening India from Afghanistan, merely signifies that the English imperialists have abandoned the hope of being able to attack the Soviet Union from this side.

Japan held the last piece of Soviet territory in the Far East, occupied during the intervention. The question of North Sachalin was an obstacle to the settlement of relations between Japan and the Soviet Union so long as Japan calculated upon being able to exploit the weakness of the Soviet Union. But finally and at last, Japan was obliged to settle this question in accordance with the demands of the Soviet Union, which showed neither nervous haste nor weakness in this chronic conflict with Japan. Sachalin was finally restored to the Soviet Union, and at the same time Japan abandoned her support of the White Guard bands operating in the Far East.

The relations of the Soviet Union to China are extremely difficult, in consequence of the complicateness of Chinese conditions. Nevertheless, here too the Soviet Union has remained true to its principles, and supports the endeavours of the Chinese people towards national emancipation. The Soviet Union, in renouncing the unjust agreements concluded by the czarist government, gained for itself such an enormous degree of popularity among all classes of the Chinese people, that even that faithful servant of foreign capital, Chang-Tso-Lin, has not ventured to prevent the return of the East China railway, which is on Manchurian territory.

The reactionary Chinese Generals, at the instigation of foreign imperialists, and out of fear of losing their own privileges, have however adopted a hostile attitude towards the Soviet Union. But the end of their rule, and even of their existence, is merely a question of time, and not a very long time at that. A free China, now carrying forward its successful armed struggle against Western imperialism and reaction at home, will be the ally of the Soviet Union in its struggle against imperialist violence.

As this struggle in the East becomes more acute, the clouds gathering over the Soviet Union become the more threatening. British imperialism is persistently forging chains of alliances, combinations, and agreements, all aiming at surrounding and strangling the Soviet Union. It would be foolish to suppose that capitalism, seeing its existence threatened by the revolutionary movement in the classes and nationalities, will abandon its position without a struggle. The whole question consists in the forces of the revolution meeting the danger under those circumstances and conditions most favourable to the revolution.

The Territorial System in the Red Army.

By M. Tukhachevsky*.)

The 140 million inhabitants of the U.S.S.R. turns out every year one and a quarter million toilers of conscriptional age. Of these 900,000 are fit for military service. Meanwhile the Red Army which in 1924 was reduced to 562,000 is able to pass less than one-third of the conscripted contingent through its cadres. Thus if it were organised on the structure of the bourgeois regular armies, more than 600,000 men would remain untrained each year. The tsarist army, in order to cope with this task, had a numerical strength of about 1.5 million men.

The defence of the Soviet Union is the work of the toilers themselves. Therefore all toilers of the U.S.S.R. are liable to military training and the Red Army has to realise this main task of defence. Under such conditions the only issue is the wide application of the militia method of training. Troops applying this method within the confines of a definite territory are called territorial.

The territorial units have small cadres, in which they train mainly, the junior commanding staff with a two years term of training (permanent staff). Besides this a definite number of conscripts are allotted to each unit according to a strict class selection. These comprise the relieving staff which are called for military training for a short period in the locality they inhabit.

During the first year the training of these new recruits lasts three months, after which they are transferred to the respective relieving units. Further training is conducted (usually in the autumn), during the muster of the entire division composed of all those allotted, and throughout a period of four years. In general every Red Army man trains eight months.

Taking into consideration the short term of training special attention is paid to the preliminary training before calling up, which is conducted according to a 420 hour programme. The experience of the territorial programme goes to show that these periods, on condition that the relieving staff of the units is completely exempt from undertaking garrison duty, all kinds of manoeuvres, expeditions, etc., is quite adequate for getting the Red Army man a full training. It is particularly useful that the training is maintained from year to year which continuously freshens the knowledge of the Red Army man.

* Comrade Tukhachevsky is chief of Staff of the Red Army and Fleet of the U.S.S.R. and member of the Revolutionary Military Council. — Ed.

During the time of the yearly training the relieving staff of the territorial sections are supported at the full expense of the State. At the same time workers and employees have their places kept for them, as also a part of the wages they receive while at work.

Thanks to this the territorial system is the most advantageous military system for the masses. It enables the State to provide the large number of toilers with military training with the expenditure of minimum funds.

The territorial system has also a number of special military advantages over the bourgeois-regular system. For instance, the regular units on being mobilised receive from the reserve corps, men almost unknown to it which greatly lowers their fighting capacity, while the territorial unit calling up every year, though only for a short term, its entire forces, goes out to fight in exactly the same formations in which it trains in peace-time.

The territorial system in the hands of the Soviet State is a powerful lever for reinforcing Lenin's chief watchword of an alliance of workers and peasants and for getting Party and Soviet influence to reach the wide masses of toilers.

Thanks to the territorial system the Red Army is a school for mass cultural political training above all in the rural districts. The XIII Congress of the C.P.S.U. (B) in its resolution on work in the country says: "The extension of the militia system opens up new paths for Party work in the countryside and for strengthening Soviet influence there. The territorial formations, including in their composition exclusively the poor and middle class strata of the rural districts, can and must become one of the Party points for the unification and education of these latter and also of support for the economic and cultural construction in the countryside. In those districts where territorial units exist, their cadres should be utilised as new forms of contact of the Soviet State and the Party with the peasantry. For this there should be insured the organisational contact of the territorial cadres within the local organs of authority and the Party organisations as well as a strengthening of the territorial sections by Party forces."

Of course not one imperialist state would risk forming in its own country an army of many millions on a territorial-militia basis. This would be suicide for it. But in the U.S.S.R. the territorial system is the surest system for mobilising the working and peasant masses in defence of their class interests with arms in hand.

During Nine Years.

By S. Strumilin.

In summing up their achievements for the ninth anniversary of the October Revolution, the proletariat of the U.S.S.R. can review the path they have traversed with full satisfaction. The civil war and armed intervention of Western capital which broke our country up into pieces and strangled our economy in the deadly noose of the economic blockade have already been relegated to the past. Already nearly five years have past since our revolution, having completed the heroic period of "military communism", victoriously on all fronts, had entered the arena of positive, economic creative work. The tasks of military strategy have given way to the tasks of systematically utilising the existing economic resources and consistently extending all the productive forces of the country. The economic general staff of the Republic created for this purpose and called the Gosplan (State Planning Commission) has already for five years been conducting its extremely complicated, but nevertheless very promising planning work. And despite all the objective difficulties and subjective gaps and defects, here also on the economic front we may present achievements that are by no means to be laughed at.

Indeed let us examine how in the first place the factory industry has developed during this time. Here are a few figures:

Year	No. Workers		Production in Pre-War Values Per 1 worker			
	In thousands	In%	In mill. roubles	In%	In R.	In%
1921/22	1,243	100	1,493	100	1,201	100
1922/23	1,452	117	1,949	130	1,342	112
1923/24	1,615	130	2,566	172	1,589	132
1924/25	1,889	152	3,950	264	2,091	174
1925/26	2,422	195	5,640	378	2,320	193

The results for the year 1925—26 are not yet final, but we will take here the minimum estimate. And even then the number of workers and their productivity during the four years alone according to this calculation has doubled while the production in its physical volume has almost increased four-fold. Is this not an achievement?

In the sphere of agriculture distributed in the hands of millions of peasants and therefore much more difficult to subject to systematic State Planning regulation, our achievements are not so great. If we express the entire gross production of agriculture and cattle breeding in the U.S.S.R. in pre-war values we get the following picture. In the year 1921—22 in which there was a harvest failure it reached 5.7 billion roubles and in

1925—26 as high as 10,4 billion roubles, a total growth of 82%. And if we exclude the year of famine, then for the following years from 1922—26 the growth of agricultural production comprises altogether 42%. The figure on the scale of pre-war times is tremendous, but as compared with the above mentioned tempo of restoration of our industry it was very modest.

The railway transport of the U. S. S. R. during the same period has developed its work according to the following figures.

Year	Length of System in thous. kms.	No of Workers in thous.	Total in mill. kms.		Work of System Per 1 Worker	
			In thous. kms.	In%	In thous. kms.	In%
1921/22	67,8	919	(26,7)	100	29,0	100
1922/23	69,6	836	36,3	136	43,4	149
1923/24	73,8	858	49,7	186	57,8	199
1924/25	74,4	898	67,3	252	74,8	258
1925/26	74,3	1,045	92,8	347	88,8	306

As we see, labour power has grown here altogether by 14%; but thanks to its being utilised in a three times better way, the total work of the system expressed in billions of ton-kms, has grown during four years by 247%, i. e. 3—1/2 times.

We see practically the same successes in other fields of national economy. But what is most important of all is the fact of the steady increase in the well-being of the toilers going hand in hand with the general ascent of national economy. For instance, whereas the productivity of the industrial worker increased according to our statistics by 93% from 1921—22 to 1925—26, the real wages for the same four years increased by 123%, i. e. more than twice, and reached 630 chervony roubles per year. This shows fairly well that the growth of national economy during the years mentioned has not taken place in our country at the cost of increased exploitation of labour, as is the case in capitalist countries, but above all at the cost of a more systematic utilisation of the existing forces and resources. And the Soviet workers, being master in their own house, have been able to devote all the effect of their economic successes almost entirely to raising the standard of living of the toilers and the subsequent development of the productive forces of the country.

What wide possibilities open up in this letter field may be judged by the following figures: The total sum of means of production belonging to the State in the U. S. S. R. exceeds 26 billion roubles, not counting lands and forests. The total sum of net revenue from economic operations in the sphere of the socialised sector of national economy of the U. S. S. R., yet in the year 1923—24 hardly reached 468 million chervonets roubles and from 1925—26, according to the calculations of the Gosplan the figure estimated is 1,407 million roubles. And it will certainly continue to grow every year by hundreds of millions.

One may safely say that not a single millionaire, not a single trust in the world has ever disposed of such huge resources for economic manoeuvring, concentrated in a single hand and subjected to a single will. This is particularly so, if we remember that the socialist proletariat of the U. S. S. R. besides the resources mentioned also has at its disposition colossal amortisation funds, not to mention the budget resources in a whole number of methods of state regulation of economy.

State Industry in the Soviet Union in 1926.

By J. Ulitzkiy.

Economic progress in the Soviet Union since the revolution has been most clearly expressed in the restoration of industry. Every branch of industry has developed with amazing rapidity since the year 1921/22. This rapid development has received the designation of "Process of restoration", for the first three years were chiefly occupied with the restoration and re-opening of existing factories and undertakings. Since the fourth and fifth year, simultaneously with this process, there has been the creation of new industrial units.

At the present time we are witnessing only the very first steps of economic activity of this first socialist state in the world. Still in 1923—24 all our capital investments in national economy in its socialist sector did not reach 600 million roubles, but already in the following year 1924—25 they exceeded 940 millions, while in 1925—26 they comprised about 1,900 millions and during next year will at any rate pass the two milliard mark.

It is true that side by side with this fabulous growth of socialist economy in the U. S. S. R., the private capital of foreign concessionaires and also of native traders function quite freely up to now in the field allotted them. But the role of this private capital in the total economic turnover of the country is quite negligible. If we do not include as capitalists the rank and file masses of the peasantry, handicraft workers and independent artisans, the petty traders and similar representatives of simple goods exchange, who do not always justify by their "income" even the full payment of their labour, the share of capitalist turnover, in the more limited sense of this word, is not more than 20% of the sum total in the sphere of trade, while in the sphere of industrial production it is still less — altogether 7—8%. Still less, however, is the share of private capital in the sum total of capital funds in the country. The fact is that in private industry if we leave out handicraft workers and artisans, more than 7% of the remainder are simply leaseholders of the smallest State enterprises. According to motive force, by October 1925 in these lease enterprises there was concentrated even as much as 90% of the operating power of the entire private industry. And in retail trade, where in our country private capital has the greatest scope, with a tremendous turnover of existing resources, in general it cannot concentrate any considerable capital funds. But most important of all for us at the present moment is the fact that the proportion of the private economic sector in the total turnover of the country is declining year by year, whereas the Socialist section is growing. For instance, in 1923—24, the share of state and co-operative trade was only 59% of the total trading turnover, while in 1924—25 this percentage already increased to 73 and in 1925—26 to 76%.

In the remaining 24% there are included the turnover not only of the more or less independent traders of a capitalist type, but also a considerable mass of petty traders who now are actually nothing more than simple agents of the State apparatus of distribution, ready to execute all its demands for a very percentage of commission.

Thus, despite the apparent domination of trading relations, the country is slowly but surely, year by year approaching nearer and nearer to the complete realisation of Socialism. These processes of socialisation are accompanied by a powerful growth in the productive resources of the country in all branches of economy. But our Socialist industry is growing with particular rapidity. And each new success on this path of industrialisation, and together with it the socialisation of Soviet economy, is accompanied by a further increase in the standard of living of the proletariat and the well-being of all toilers.

Such are the first real achievements of the victorious proletarian revolution.

The economic forces in the hands of the Russian proletarian State fully suffice in order to secure the transition to Communism. (Speech at the XI. Party Conference of the C.P.S.U.)

N. Lenin.

The organisatory peculiarities giving the first impetus to industrial development in 1921/22 were the complete re-organisation of the whole of the conditions obtaining under war communism. The immediate administration of every branch of industry from one centre of organisation has been replaced by combinations of separate factories and undertakings in trusts possessing great economic independence. Despite the common designation of trust there is considerably more difference than similarity between Soviet and capitalist trusts. The main object

of the capitalist trust is high prices and high profits; it is an association of capitalists who do away with mutual competition, and combine with one another for the maintenance of high prices. The trust is a big capitalist combine, opposing on the one hand the individual consumer, and on the other the individual labour organisation. Both of these categories of sufferers under the capitalist trust find it considerably more difficult to combat trustified capital than individual capitalists.

The Soviet trust is a combine of several factories and works belonging to the State, and working for the organisation of socialist industry. The decree defines the trust as one or more "State industrial undertakings accorded independence by the State for the execution of its operations in accordance with the statutes confirmed for each of these, and working on a commercial basis for the object of earning profits". (Article 1.)

Although the principle of "earning profits" is contained in the statutes, the import of this paragraph is greatly modified in the course of the subsequent paragraphs, and the similarity between our trusts and private economic undertakings is much lessened. For instance, the trusts are obliged, when selling their goods, to accord preferences to the State trade organisation and co-operatives. (Art. 50.) They are obliged to be members of the Bourse (Art. 48), and can be compelled to place their products in the hands of certain organisations (Art. 49 etc.). All these obligations are unknown to private undertakings. But the greatest difference of all refers to the invoice prices. The trusts do not possess the right to fix the prices at will. The People's Commissariat for Trade fixes the prices of almost all articles of ordinary consumption.

The regulation of prices by the central organisations is one of the peculiarities of State industry. This circumstance alone has been the cause of a state of affairs entirely unknown to capitalist economics — the fact that from 1924 till the present time, a period during which there has been such a demand for goods all over the country that there has been an actual shortage of goods at times, thus affording an especially easy opportunity for raising prices, the Soviet industries have steadily lowered their prices. Precisely during the period in which the shortage of goods was so great that it was possible to sell the goods in the immediate district of the factory, and the possibility of rapid returns was thus given, plans were worked out and executed for the equal distribution of goods in every district.

The policy of uninterrupted reductions in prices during periods of brisk trade is something entirely foreign to capitalist economics. The capitalist trusts, in their anxiety to maintain high prices, do not even shrink from the actual destruction of stocks of goods, if they can thereby prevent a drop in prices.

The separate industrial trusts are combined in syndicates entrusted with the task of combining the commercial activities of the separate trusts. Each individual trust does sell its own products, but the syndicates are accorded the task of opening stores for the retail sale. The centralised work of the syndicates renders excellent service to the trusts, for it effects a great reduction of commercial expenses.

The administrative centre superintending the industry, the special industrial commissariat, is the People's Supreme Economic Council, composed of a number of boards of management of branches of industry: the general management of the metal industry, the general management of the mining and fuel industry, etc. The trusts and syndicates undertake the operative functions (production, trade), the People's Supreme Economic Council is responsible only for the regulation.

Trustification, as a form of organisation, ensures considerable advantages both in economic and technical respects. A number of trusts are grouped according to the principle of the combine, certain auxiliary lines of production being attached to the basic production. Thus the sugar trust includes sugar factories, sugar beet plantations, selection stations, fertiliser factories, etc. In this way the goods, instead of being sold among the separate industrial undertakings themselves, pass through the trust in accordance with the turnover of the whole industry. Thus the sugar trust, and each separate undertaking, requires considerably less working capital than in an industry where each branch exists as an independent undertaking. All the separate undertakings in the same trust pass on their products to one another without demanding a profit; the amount of profit is fixed once and for all by the trust itself, when the sugar leaves the factory for the market.

Besides this, it is an acknowledged fact that the larger an industrial undertaking is, the less the expenditure required for the production of a unit of production, the less the outlay for administrative costs, the lower the cost of production, etc.

These are the economic factors making the great trust more profitable than the small undertaking. They are premises which apply equally to the capitalist trust, but with the difference that here they form the basis for a super-profit.

From the technical standpoint the trust facilitates the introduction of technical measures intensifying production; it permits the use of more efficient machinery, and the organisation of improved working methods among the affiliated undertakings from one administrative centre. Among these measures special mention must be made of the transition to coal cutting by machinery on a large scale in the mining industry, whilst before the war the use of machines for this purpose was never thought of, and all coal hewn by hand. In the glass industry, in which especially unhealthy working conditions exist, steps have been taken for the erection of factories in which the glass is blown by mechanical means; work has already been commenced in one such factory. Similar steps towards the introduction of machinery have also been made in the metal, leather, and match industries.

Considerable success is to be recorded in the generation of heat and power; new electric centrals have been built, with power stations calculated to supply whole districts. The majority of the new electric stations have been erected in places where cheap and inferior fuels or waste material are obtainable, not worth their carriage to any distance, but available as fuel on the spot (for instance coal dust, peat, wood waste).

A special scientific and technical administrative body has been organised, within the People's Supreme Economic Council, for the practical carrying out of technical innovations and the perfecting of improved methods of work. This body consists of a number of institutes for scientific research, and counts among its collaborators many leading technical specialists. Among these institutes may be named: the Institute for Factory Building, the Textile Institute, the Naphta Institute, and others. Each of these institutes maintains a close connection with its corresponding industry, and with the separate factories and work in which the technical projects of the institute are put into practical execution. Should an innovation prove successful it is introduced simultaneously by the central into the whole of the factories and work belonging to the group.

Here again a difference may be noted from the capitalist trusts, which are not always anxious to introduce technical improvements. There are cases in which the best of technical inventions are sought for and bought up, but with the sole object of preventing their being put into use. It frequently happens that it is more advantageous for the manufacturer to pay a large sum for a patent than to expend even greater sums in improving his factory, for although the final result of the use of the patent would mean a considerable reduction of the costs of production, he frequently prefers to let it lie unused, and only buys it to prevent its falling into the hands of his competitors.

A word must be said as to the task of the main principle in the activity of the trusts. It is the purpose of the trust to render it possible for the chaos of free productive methods, in which every works or factory can set up its economic programme according to its own ideas as is invariably the case under capitalism, to be replaced by a single plan of production drawn up by a central economic body actuated solely by the desire to further the interests of the people, and not by motives of private enterprise. The principle of planned economics facilitated the development of industry during the period of restoration. Thus in 1922 and 1923, when it became apparent that though industry was making rapid progress, still the material and financial means were insufficient to set all work and factories going, it was found best to concentrate industry, to combine the best and most efficient works in trusts, and to close down and preserve the rest of the undertakings. A part of the best technical equipment was transferred to the factories kept working, enabling these to increase greatly their technical capacity. After a very few years it was found possible to resume work in many of the factories which had been laid idle.

The planning principle permits capital improvements to be undertaken in the best technical units only, and leaves the out-of-date plant to be used up by natural wear and tear.

Under capitalist economics, out of date industrial undertakings are frequently found to hamper the introduction of perfected equipment. It is often more advantageous to build a new factory than to improve an old one. But this can only be done for a whole industry if the State itself is the owner of the whole of the works and factories of that industry. On the planning principle every works draws up its own programme for a year in advance. The central body, the People's Supreme Economic Council, combines all these programmes into one single industrial programme, each programme being made to dovetail with the others. The process of production depends greatly upon import, import is determined by export, and this again depends upon the rapidity with which the State can produce supplies of grain.

In addition to this, in the setting up of the programme, regard is had to the possibility of finding suitable labour and unrestricted markets, of obtaining money and material, etc. etc.

The whole of the programmes of production are brought into conformity with one another by the planning council, which can take into consideration those factors of national economy which cannot be known to the individual works. The programme of production thus represents a sort of plan of action. The strict adherence to the planning principles has permitted the introduction of a properly planned system in the process of restoration in industrial development: a process carried on under the pressure of exceedingly active markets. The extremely difficult process of raising industry once more to almost the pre-war level was carried out along systematic lines, without any considerable crises or prolonged difficulties. By the end of 1926 the industry of the Union of Soviet Republics will have attained the same stage as England and Germany with respect to regaining the pre-war level.

After this survey of the organisation of industry we must turn our attention to the results of industrial activity. That growth of industrial production which began in the economic year 1921/22 (the year reckoned from the 1st of October to the 30th of September) was at first somewhat slow, but subsequently increased its speed. If the total production is estimated in pre-war roubles (in order to avoid the influence of the changed money values), the general increase in production may be seen from the following table:

1921/22	850	—
1922/23	1239	146
1923/24	1621	130
1924/25	2560	160
1925/26	3550	140

The peculiarity of this increase consists in the fact that in 1922/23, when the principles of self-dependence and economic accountability were first applied to industry, the industrial output increased by 46%, or almost one half. In the following year the rate of increase slowed down to 30%.

In 1925/26 an especially interesting phenomenon has been observable: In this year the crops were comparatively unfavourable, in some districts even a failure, and yet this year showed a record growth of 60% in industrial production, proving that industry has developed to such an extent that it has become not only the producer, but at the same time the consumer, of industrial goods. The light industries, working for the broad market of small consumers — the textile, leather, sugar, and other industries — were the first to revive, but by 1924/25 the industrial revival began to make itself felt at the same time in an increased demand for the products of heavy industry: metal, coal, building materials, and the like. During the last few years the accelerated rate of industrial development extended from light to heavy industry.

The re-opening of the closed factories and works has been accompanied by the simultaneous expenditure of considerable sums on ground rents and new buildings. In 1923/24 these sums amounted to 375 million roubles, in the following year, 1924/25, to approximately 750 million roubles. An important factor of industrial development is the extensive electrification of the country. The plan of electrification, worked out under Lenin's immediate guidance, estimates the cost of the preliminary electrification plan at 1.2 milliard roubles. The time required for the execution of the project is estimated at ten years, beginning in 1918. The sum total required for the development of the planned electrification is estimated at 300 million roubles, of which 224 million fall to the State budget (also reckoned for

1925/26). Of the large district stations provided by the plan, seven steam and seven hydro-electric stations are in course of construction; some are already completed and working. The most important station, the Volinov station with its 56,000 kilowatt power, will be finished by the end of 1926.

Industrial conditions are, in general, approaching those of the pre-war epoch; the industrial level is still about 10 per cent below pre-war, but will have regained the old level by the beginning of 1927. In some industries the pre-war level has already been passed; the electro-technical industry, for instance, has developed to an extent triple that of the pre-war period.

In 1925/26 the total number of separate works and factories amounted to approximately 2800, employing in round figures 2 million workers. On an average, about 700 workers are employed in each of these undertakings. There are, however, many gigantic undertakings employing thousands and tens of thousands of workers.

A considerable part of the industrial production passes through the apparatus of the syndicates. The syndicates are the central commercial administrative bodies for industry, and the increase of their returns shows the growing extent of the markets forming the sphere of organised State trade. Ten of the leading syndicates comprise the most important branches of industry. The table of returns for the syndicates in 1924/25 shows the sum total of the turnover to have almost doubled as compared with 1923/24, an increase from 754 million roubles to 1328 million. The following are the separate returns for the different syndicates in 1924/25:

Textile syndicate	853
Ural metal syndicate	124
Metal syndicate	61
Leather syndicate	175
Syndicate for agricultural machinery	21
Salt syndicate	24
Syndicate for silicate products	33
Other syndicates (tobacco, fats, oils)	35

Total 1326

In 1925/26 an accelerated goods turnover was observable in all the syndicates, accompanied however by a retardation of the capital circulation, involving a prolongation of the goods credit terms. Here we have again a phenomenon widely differing from the capitalist syndicates, in which a prolongation of credits would never occur during a period of rapid disposal of goods. Such periods are invariably simultaneous, under capitalist economic expansion, with shorter terms of credit and higher prices. Under the conditions ruling among us, a prolongation of the terms of credit is carried out as soon as the general interests of national economy demand it, whether or not the favourable state of the market might render it possible to raise prices or restrict credits.

If we turn to our price policy, we find that up to 1923 prices could be fixed quite freely as a general rule. At that time both the trusts and the syndicates aimed at raising prices as far as possible, in order to replenish their capital, which had sunk to a low level during the previous years. At the end of 1923 the policy of price reduction came into force, and pressure was put upon the trusts to reduce the costs of production, and with this the price of goods. In 1924 the money reform enabled accurate calculations to be made. If the mean annual cost prices are compared (according to the industrial index figures issued by the People's Supreme Economic Council), the average price reduction in 1924/25 will be found to have been 13.3 per cent, as compared with the year before, 1923/24. In 1925/26 raw materials have risen in price, and wages have increased, preventing any further fall in prices.

The price index figures for industrial products are still high in comparison with pre-war prices, despite the above mentioned drop in prices. In 1923/24 the index figure was 203 (1913 = 100), falling in 1924/25 to 178. In the separate industries we observe a gradual rise in cost price in proportion to the complicatedness of the process of production. Thus rolled iron has increased in price more than cast iron or Martin steel, while the index figures for machine building have risen even further. In the cotton spinning trade the same comparison may be drawn, if we compare the rising index figures for yarn with those for mitcal, or those for mitcal and calico.

The greatest difficulty is the increase of retail prices. Here State trade and the co-operatives have not been able to reduce the trade expenses and to lower prices to the same extent as industry has been successful in doing with regard to factory prices.

If we calculate the reduction in prices effected by industry for the goods listed in the retail indices of the People's Commissariat for Finance, we find the drop in prices to have amounted to 36% during the last 2½ years, whilst retail prices have only fallen by 4%.

The consequence is an enormous difference between wholesale and retail prices. The extent of this difference has reached 60%, even slightly exceeding the difference existing under pre-war conditions.

The process of restoring pre-war industry will have been completed by the end of 1927, and work will be commenced on a new industrial structure. The restoration of the old industrial undertakings has naturally implied every possible utilisation of the existing equipment, but now an era begins in which it will be possible to raise the question of a coordinated reorganisation of industry on a high technical basis. The first step towards this was taken in 1924, when a special conference was set up, within the people's Supreme Economic Council, for the purpose of forming a ground capital for industry, and was entrusted with the task of drawing up a prospective plan for a five years' period of industrial development. It had become absolutely necessary to make a survey of the needs of the population, the needs of industry, the resources of the country, and the possibilities of industrial development. It need not be said that errors were unavoidable in a plan embracing 47 different branches of industry, but the work accomplished is none the less of fundamental importance, representing as it does the first hypothesis of economic development ever elaborated in detail, and containing attempts to dovetail the various parts into one another.

Although actual practice has compelled alterations to be made in various parts of the plan, the project has nevertheless given us a survey of the possibilities and resources of our industry, has

laid down its fundamental lines of development, ascertained the possible technical difficulties and the best methods of overcoming them, and has pointed out to our national economists and government the general lines to be followed for the industrialisation of the country. The growth of industrial production anticipated by the plan within the five years from 1926 to 1930 opens up the prospect of a fresh period of building activity following immediately upon the completion of the process of restoration. It is assumed that by 1930 industrial production will have doubled in comparison with 1925/26.

It is further assumed that heavy industry will develop twice as rapidly as light industry.

The following increase are assumed for the various branches of industry, in comparison with 1925/26.

Fuel industry 80%, mining 120%, metal industry 148%, electro-technical industry 229%, chemical industry 151%, textile industry 71%, foodstuffs industry 83%, leather industry 132%.

The hypothesis for the five years assumes, as will be seen, the beginning of the industrialisation of the country, the aim of this industrialisation being the wide development of industry on the basis of the most advanced techniques and highest possible productivity of labour.

The growth of industrialisation brings with it at the same time, generally speaking, a strengthening of influence in international relations. Lenin told us that agrarian countries cannot be politically independent. The correctness of this assumption becomes apparent when we observe the growing international influence of the Union of Soviet Republics, increasing from year to year in proportion to the industrial development of the country. It was not until the Soviet trusts appeared in the world's markets as large buyers of raw materials and equipment that the West began to believe in the actual revival of the economy of the Union of Soviet Republics.

Industry, still restricted for the most part to its pre-war equipment, has at last passed through the first necessary stage of its development, and can now step forward on the road of constructive Socialism — on the road to the industry of the

Remuneration of the Workers During the Transition Period.

By Karl Marx.

What we have to do with here is a Communist Society which has developed, not upon its own basis, but vice versa, which is emerging out of capitalist society; which therefore, in every respect, economic, moral and intellectual, still displays the birthmarks of the old society out of whose womb it is emerging. In accordance with this the individual producer — after deductions — receives back exactly what he gives it. That which he has given it is his individual quantum of labour. For example, the social working day consists of the sum of the individual working hours; the individual working time of the producer is the portion of the social working day performed by him, his part of it

Here there obviously prevails the same principle that regulates the exchange of commodities, so far as the exchange is equal. The content and form are changed, because, under the altered conditions, nobody can give anything except his labour and because, on the other hand, nothing can become the property of individuals except individual means of consumption. But as regards the division of the latter among the various producers, there prevails the same principle as that obtaining in the exchange of commodities of equal value: equal quantities of work in one form will be exchanged for equal quantities of work in another form.

The law of equality is, in principle, still the bourgeois law, although principle and practice are no longer divorced from each other, while the exchange of equivalents in the exchange of commodities only exists in the average and not for the individual case.

In spite of this progress the law of equality is still suffering from a bourgeois limitation. The right of the producers is proportionate to the amount of labour they perform; equality consists in that there exists an equal standard of measurement — labour.

One individual, however, is physically or mentally superior to the other, and performs more work in the same time or can work for a longer time; and labour, in order to serve as a

measure, must be determined according to the length or the intensity, otherwise it ceases to be a measure. This equal right is unequal right for unequal labour. It recognises no class distinctions, because everybody is only a worker like the others; but it tacitly recognises the inequality of individual gifts and, therefore, of working capacity as natural privileges. It is therefore, according to its content, a law of inequality, like all law. Right, according to its nature, can only exist in the application of an equal measure; but the unequal individuals (and they would not be different individuals if they were not unequal) can only be measured by the same scale, so far as they are regarded from one standpoint and are only regarded from one definite side. For example, in the given case they are regarded only as workers; all else is disregarded. Further, one worker is married, the other not; one has more children than the other etc. If both do the same amount of work and therefore receive an equal share in the social consumption fund, the one receives, in actual fact, more than the other, the one is richer than the other etc. In order to avoid all these defects, Right instead of being equal must be unequal.

But these defects are unavoidable in the first phase of the Communist society, when, after prolonged birth pangs, it is just emerging out of capitalist society. The right can never be higher than the economic conditions and the cultural development of society determined by them.

In a higher phase of communist society, after the slavish subjection of the individuals to the division of labour, and thereby also the antagonism between mental and physical labour, has disappeared; when labour has become not only a means to life but has even become the first requirement of life; when, with the all-round development of the individuals the productive forces have grown and all the sources of co-operative wealth are full to overflowing — only then will it be possible to go completely beyond the narrow horizon of bourgeois right, and society will be able to write on its banners: From each according to his abilities, to each according to his needs!

(Gotha Programme.)

Karl Marx.

What is the Soviet Power doing for the Improvement of Peasant Farming?

By P. Leshnyev-Finovsky.

In the Soviet Union there are approximately 22 million peasant farms. Of these about 20 million are in the hands of the middle and poorer peasantry. The Soviet power is, of course, chiefly concerned with the promotion and development of agriculture among the main masses of the peasantry — the middle peasantry and those possessing very little land. The most important measures which have been taken in this direction are as follows:

1. The increase of the area under cultivation, and the improvement of methods of tillage; 2 the improvement of cattle breeding; 3. the development of technical cultivation and the increase of traffic in commodities among the peasantry; 4. the development of the use of mechanism for purposes of agricultural production; 5. improved farming, and the introduction of agronomic methods in farming; finally; 6. the use of co-operative and collective methods among the farming peasantry.

After the civil war ended, the Soviet power devoted its main attention to the quantitative development of the separate branches of agriculture. After five years of work, the Soviet Republic can record comparatively great success. The area under cultivation in 1921 was 56 million desjatines, increasing by 1926 to 86 million; the number of heavy horned cattle increased during this period from 35 to 52 million head, the number of horses from 19 to 25 million.

At the present time the People's Commissariat for Agriculture is concentrating its energies on the **qualitative improvement of peasant farming.**

Here the Soviet Republic has again achieved definite success. Let us take, for instance, the introduction of the so-called mass undertakings, that is, the ordinary agrarian technical measures applied to the use of the masses of peasant farmers; here the following results are to be recorded:

a) Within four years over 600,000 peasant farms, cultivating an area of 3.5 million desjatines, have introduced the rotation of crops; b) pasture land has been extended by 1,200,000 desjatines; c) 25 million desjatines of land have been tilled; d) amelioration methods have been applied to over 1 million desjatines; e) more than ten million poods of sorted seed have been distributed among the peasantry, and about 6½ million poods of mineral fertilisers; f) approximately 60 million poods of peasant grain have been sorted and cleaned; g) methods of combatting agricultural parasites and diseases have been employed on 25 million desjatines of land, saving crops to the value of over 1½ milliard roubles.

The measures adopted greatly increased the yield of the land and the profitability of peasant farming. The following fact may be adduced as an example: In 1925 the grain crop of the Soviet Republics amounted to 4300 million poods, in 1926 to 4700 million poods, whilst the quantity of agricultural goods produced increased from 900 to 1200 million poods.

Taken on the whole, our agriculture is closely approaching its pre-war level. Judged by the quantity produced, the yield is approximately 93 per cent that of 1914.

At the present time the Soviet Power and the peasantry are devoting increased attention to the re-organisation of agriculture on a new technical basis, and to extending the application of the scientific results of agronomy. In connection with this a huge task has been commenced in the work of ensuring farms in North Caucasia and on the Volga against the effects of drought, in the introduction of a complete system of measures for the restoration and reorganisation of agriculture in the Central and Black Earth districts and in the improvement of the cultivation of root crops and of cattle breeding methods in the West and North East. The work of reorganising agriculture in Siberia and other regions of the Republic has also been commenced. The Soviet government has established a triannual "fund for combatting drought" for the purpose of carrying out measures for the reorganisation of peasant farming, and in 1926 alone 77 million roubles were expended for the needs of agriculture in the central and Black Earth districts.

The introduction of machinery and tractors forms an extremely important part of the reorganisation of agriculture. The Soviet Republic has comparatively great success to record here.

Thus, for instance, machines and implements to the value of 17.5 million roubles were sold to agricultural undertakings in 1924, whilst in 1925 these were distributed to the value of 65 million roubles, and in 1926 to the value of 80 million roubles. The tractor is new to Russia, and was first introduced by the Soviet Power. Before the revolution there were, in round numbers, 1500 tractors on the territory of the one time Russian Empire, these being exclusively in the possession of the large landowners. The broad masses of the peasantry had no idea what a tractor was.

After the revolution, from 1923 onwards, the Soviet Power worked energetically at the introduction of the tractor. At the present time there are already 22,500 tractors in the Soviet Union, 92 per cent of these being possessed by peasant associations (co-operatives and collective).

The Soviet power aids the middle and poorer peasantry not only by means of various specially favourable conditions, but by material assistance in the form of grants of agricultural credit. These credits are chiefly granted to the peasantry for productive purposes: a) for the purchase of agricultural machinery and tractors; b) for the purchase of draught animals; c) for obtaining supplies of seed; d) for the purpose of improving the land; e) for the organisation of technical undertakings, working up of agricultural products, etc. During the course of the past four years the Soviet Union has been able, despite its scanty exchequer, to expend the sum of 300 million roubles on agricultural credits.

Besides these grants of credits from the general funds set aside for agriculture, a separate fund for granting credits to the poor peasantry, to the amount of 10 million roubles, has been formed.

The Soviet Power is making great efforts to spread the co-operative and collective idea among the peasantry. The principle of the independent activity of the masses of the peasantry is maintained throughout the whole of the work of the Soviet Power.

At the present time the total system of agricultural co-operatives counts approximately 32,000, co-operatives of various kinds, and about 22,000 collective agricultural undertakings (agricultural communities, artels, and societies for the cultivation of the soil). Taken together with the collective undertakings, the system of agricultural co-operatives includes over six million peasant farms, or 25 per cent of the whole of the agricultural undertakings in the Soviet Union. Comrade Lenin pointed out co-operation to the workers and peasants as the road to Socialism. The Soviet Power, fulfilling the words of its leader, accords all possible aid to the cause of developing and improving the agricultural co-operatives (granting of special advantages, credits, etc.)

Since the revolution there has been a mighty impetus, among the peasantry of the Soviet Union, towards the introduction of agronomic principles in agriculture. The peasants show themselves anxious to avail themselves of every agronomic, technical, and other auxiliary. The leading farmers join together in agricultural associations, form agricultural Soviets, and other public cultural organisations. In 1926 over 1500 agricultural societies and 1700 agricultural district Soviets could be counted in the territory of the R. S. F. S. R. alone; many of these associations contained over 75 per cent of the leading peasants and peasant youth.

Encouraged by this positive success, the Soviet power will continue in its successful application of every possible measure calculated to promote the development of agriculture.

Through the peasant revolution the proletarian revolution receives its chorus, without which its solo becomes a death song in all peasant nations.

("The 18th Brumaire of Louis Bonaparte.") Karl Marx.

The setting up of a free, even if stunted peasant class, has had the good result that it has placed the peasant in a position in which — with the assistance of his natural allies, the workers — he can help himself as soon as he only recognises how.

("The Mark".) Friedrich Engels.

Workers' Co-operation in the U. S. S. R. on the Ninth Anniversary of the October Revolution.

By K. Vitold.

Workers co-operation in the U. S. S. R. is comprised in the single system of consumers' co-operatives headed by the *Centrosoyuz*. There is a central section of workers' co-operatives attached to the *Centrosoyuz* the tasks of which include the economic and organisational services of the workers' co-operatives, the building up of the system of consumers co-operatives and representation of its interests and also the unification of the workers co-operatives for assuring proletarian influence over the entire consumers' system.

The existence of the workers' co-operatives in a united system of consumers' co-operatives fully enables the workers consumer to establish direct contact between agricultural co-operation which provides the products of agriculture, and the workers' co-operatives which consume these products. The political significance of the unified system of consumers co-operation lies in the fact that the working class by realising its hegemony, strengthens its contact with the peasantry, directing the co-operatives along the channel of Socialist construction, and turning them into one of the most powerful weapons of socialising national economy.

On January 1st, 1926 there were 1583 workers' co-operatives in the U. S. S. R. The workers' co-operatives in the U. S. S. R. is a big centralised organisation embracing either a big urban centre or else separate factory districts. This structure of the workers co-operatives has the advantage of enabling them firstly to cheapen their trading apparatus, reduce overhead charges, and secondly, to concentrate the workers co-operative resources. The centralised structure of the workers' co-operatives does not reflect however, on the degree of contact of the co-operatives with their shareholders. The workers' co-operatives in the U. S. S. R. have many forms of contact with the shareholders such as: shop commissions which are elected by the shareholders, and serve the given shop; sections of representatives who take permanent part in some branch or other of co-operative work; organisational, economic, communal feeding, financial, etc. Before the meetings of representatives, district meetings of shareholders are organised. In order to increase the contact of the co-operatives with industry, and also in order to find out the collective opinion of the workers engaged in similar conditions of labour and living, meetings according to industrial enterprises are arranged. Large industrial enterprises are made equal to a territorial district. Besides shop committees and sections of representatives, there are also co-operative organisers in each undertaking which serve as a connecting link between the co-operative boards and the shareholders working in a given enterprise.

The number of shops belonging to the workers co-operatives on April 1, 1926, was 15,738. The trading system of workers co-operatives showed a particularly extensive growth in 1924. This is explained by the fact that by this time the process of restoring national economy had been accelerated, many factories had been set going again and the number of workers have increased. In order to economise the workers' time and to bring their apparatus nearer to the living quarters of the industrial workers, the workers' co-operatives had to develop a large number of trading enterprises. Whereas on October 1, 1924, there were 8234 shops, on April 1, 1926, as we have already pointed out there were 15,738 shops, an increase of 89 per cent in one and a half years.

The number of shareholders of the workers' co-operatives was 4,876,000 on April 1st 1926. Of this number 4,468,000 were members of trade unions. Of the trade union members living in towns or workers settlements, 68% are co-operators. It should be pointed out that in the heavy industrial districts there is a much greater percentage of trade union members in co-operatives than on the average throughout the Union. This particularly concerns the industrial unions of the miners, metal workers, textile workers and chemical workers.

The share capital of the workers' co-operatives on April 1, 1926, was 22,130,000 roubles which is an average of 4 roubles,

75 copecks per shareholder. A share limit of five roubles is established by the decree on consumers' co-operatives. The establishment of a relatively low limit of share contributions was based on the necessity of guaranteeing the poorer groups of toilers, the possibility of participating in the construction of consumers' cooperatives. At the present time this share contribution to the workers co-operatives has almost completely been collected. As a considerable growth in the purchasing power in the working class population has taken place of late, as also a great increase in the trade turnover of the workers co-operatives, the demands for resources has also grown and the workers' co-operatives are therefore bringing up the question of increasing the share contribution to fifteen roubles. At the same time this increase for the poorer paid groups of workers and employees will be made gradually and the possibility of instalment payments granted.

The trading turnover of the workers co-operatives in 1924-25 was 1,417,000,000 roubles. In the first half year of the economic year 1925-26, the turnover was 1,110,000,000 roubles. If we compare the first half year of 1925-26 with the corresponding period of 1924-25 the increase in turnover is 67%. The turnover of the workers' co-operatives is growing not only at the expense of the wage fund and production of the country, but also by means of a gradual ousting of the position of private trade. At the present time the workers' co-operatives have already reached 52% of the consumers' budget of the workers and employees.

It should be borne in mind that workers' co-operatives in the U. S. S. R. trade below market prices. The differences between private market prices and co-operation is on the average 11%. Consequently, the workers' co-operatives, realising 52% of the consumers' budget of the worker increases the real level of wages by approximately 5%. In the future the task of the workers' co-operatives will be to increase work with the products of agriculture. For this purpose the workers' co-operatives are now getting more closely bound up with the sales system of the agricultural co-operatives. This will make it possible to establish the shortest possible channels for moving agricultural products from the producer to the consumer. In regard to the goods of industry, their main channel to the working masses is already the workers co-operative. In a whole number of districts state retail trade has been entirely handed over to the workers co-operatives. This has become particularly possible now, thanks to the marked financial strengthening of the workers co-operatives that has taken place of late.

Despite the low retail prices as compared with the private market, the workers' co-operatives are working fairly well. This is seen by the tempo of accumulation of capital. On October 1, 1924, the capital of the workers' co-operative amounted to 15,151,000 roubles; on September 1st, 1925, it was 69,493,000 roubles; on April 1st, 1926, according to preliminary calculations the capital of the workers' co-operatives was 150,000,000 roubles. We see that the process of the restoration and growth of the national economy in the U. S. S. R. has also affected workers co-operation to an extensive degree. The economic activity of the workers co-operatives has been placed on an adequately strong financial basis.

The accumulation of capital in the workers' co-operatives during the present year has gone on very intensively, thanks, on the one hand, to the big growth in turnover, and on the other hand to the considerable reduction of trading-organisational expenses. In the economic year 1924-25, organisational expenditure of the workers' co-operatives comprised 11.7% of the turnover and in the first half year of 1925-26 they were reduced to 9.6%. Besides the increased turnover, the regime of economy, conducted by the workers co-operatives along with the entire economic system has done a great deal to help to cut expenses.

The industrial activity of the workers' co-operatives is concentrated pre-eminently in the food industry: bakeries, confectionary and sausage production, and public restaurants.

Insofar as the heavy industry of the U. S. S. R. is nationalised, the workers' co-operatives have no need to develop the production of commodities in large dimensions. Therefore the activity of the workers co-operatives in the field of production is in the main restricted to the manufacture of local raw material and food products, needed for local consumption. In the sphere of bakeries the workers' co-operatives have already a dominating position at the present time. The consumers' co-operatives has about 3,000 enterprises for baking bread and confectionary products.

The workers' co-operatives receive goods direct from the state industry. The development of the independent industry would lead to an expedient utilisation of the resources of the workers' co-operatives. This is all the more so as those goods which are needed for supplying the worker-consumer are ensured to the workers co-operatives by concluding general agreements with the State industry for more or less continuous periods. It is therefore quite comprehensible that the activity of the workers co-operatives is concentrated mainly in the sphere of socialisation of the processes of commodity relations and serving the living needs of the consumers.

Public feeding has been organised by the workers' co-operatives in such a way as to serve the workers during their work. Most of the dining rooms of the workers' co-operatives are situated in the vicinity of the factory and very often actually on the factory territory. Thanks to this the worker is able to utilise the dinner hour which they are entitled to, for obtaining hot food without wasting much time.

The Position of Handicraft Workers and Artisans in the U. S. S. R.

By N. Klaturin.

The handicraft and artisan industry is of very great importance in the national economy of the U. S. S. R. On the one hand it gives wages to a considerable number of handicraft workers and artisans, while on the other hand it throws onto the market masses of goods destined for the wide consumption of the urban, and in the main, the peasant population.

According to statistics for 1923—24 there are 2,500,000 workers engaged in town and village handicraft industry, i. e. nearly two-thirds of all persons engaged in industry, while the production of the handicrafts industry amounts to 3,000 million roubles, i. e. nearly 41% of the entire industrial production.

Peasant handicraft is the main factor in handicraft industry; it has 80% of all the workers engaged in the industry, and produces 70% of its output.

In pre-war days the handicraft worker and artisan remained unorganised. The Czarist government did not give them the possibility of uniting into cooperative organisations, and private capital dominated in the handicraft industry through the "buyer" (skuptschik) who exploited the handicraft workers. At present the situation has radically changed, the organising force in the handicraft industry is the handicraft co-operative, uniting the handicraft workers, and drawing them into the system of planned Socialist construction.

The handicraft co-operatives as a mass movement were inaugurated and developed under the Soviet regime, thanks to the policy of assistance which the Communist Party and the Soviet authorities displayed and continues to do so, in respect to the handicraft industry and handicraft co-operation.

Handicraft co-operation has been entrusted with the task of organising petty industry; in this sphere it has been granted various kinds of privileges (tax reductions, etc.) and also state organs are requested to render the necessary assistance to handicraft co-operatives in the way of supplying raw material, semi-manufactures and also in respect to crediting operations.

Of particular importance is the decision of the XIV. Party Conference on the question of the handicraft co-operatives, establishing the main line of policy of state aid to the handicraft co-operatives. In connection with this policy of the Party and State, a rapid development of handicraft co-operation is to be

The cultural role of the workers' co-operatives in the U. S. S. R. is tremendous. In exactly the same way as productive conferences in the enterprises draw workers into the work of studying productive processes, and of administrating them, so workers co-operatives give the workers the possibility of studying goods exchange and administrating them.

The workers' co-operatives have undertaken extensive work in co-operative education. In all clubs there are co-operative circles, corners, and groups of correspondents. Many co-operatives also publish co-operative papers, sometimes in the form of wall-newspapers. Workers' co-operatives carry on work in training skilled co-operative workers from among workers at the bench. Particular attention is paid to the attraction of women co-operative sections attached to the delegate meetings of women workers. Moreover, the institution of direct women co-operative practitioners is also applied.

In summing up we may assert that workers' co-operatives in the U. S. S. R. have succeeded in becoming a big factor in the struggle against private trading capital and in favour of socialising national economy. They have succeeded in reaching the overwhelming section of the population organised in the trade unions and drawing the working masses into the sphere of regulating the processes of trade exchange. Now they must extend their work, moving on further in their offensive against private trading capital and in every way meeting the living needs of the worker consumer.

observed during the last few years; for the whole of the U. S. S. R. the following figures show the position of handicraft co-operation and the handicraft workers embraced by it:

Year	No. of Unions	Primary Coops.	Members.
1/X 1924	254	11,000	400,000
1/X 1925	267	12,000	500,000
1/IV 1926	275	13,000	569,000

Throughout the R. S. F. S. R. the handicraft co-operatives are headed by the All-Russian centre of industrial co-operatives which embraces 137 unions with 4,000 co-operatives and 225,000 handicraft workers.

Through the All-Russian handicraft co-operative union and its coops there takes place a planned supply of the members of the handicraft coops with raw material and semi-fabrics, and also realisation of their products, the larger part of the latter being sent to state organs and co-operative organisations.

It is necessary to point out that of late there has been a development in the highest form in the handicraft co-operative movement — social workshops in which production is conducted on the basis of artels.

At present there are 500 such artel workshops in the handicraft co-operative system. Many of them are organised in enterprises leased from State industry and have the character of large factory enterprises with a large number of workers and the application of technical perfections (mechanisation, electrification).

The handicraft industry plays a very important role in agriculture; it gives wages to the surplus labour power on the farms. Income from handicraft industries comprise a considerable section of the peasants' budget. In a number of districts the very development and improvement of agriculture is mainly possible with the aid of the income from handicraft trades.

Certain handicraft industry organisations are models of high accomplishment in the way of the organisation of the handicraft industry itself and its connections with agriculture. The Borovitch-Baldaisky society unites nearly 4,500 handicraft workers on the basis of a textile-knitting enterprise and has now undertaken the electrification of the whole district, the electric energy is

utilised for the industry itself, for lighting and for the work in various kinds of agricultural enterprises (saw-mills, flour mills, etc.). The society conducts extensive agricultural work in the district, introduces improved tilling methods, improves cattle rearing, the main basis for this work being Soviet estates and agricultural schools run by this society.

The development of the agricultural activity of handicraft co-operation headed by the All-Russian co-operative handicraft Union, is characterised by the following figures (sales):

1/1 — 1924 — 1/X 1924 . . .	96,9 million roubles.
1/X — 1924 — 1/X 1925 . . .	217,6 " "
1/X — 1925 — 1/IV 1926 . . .	259,1 " "

Thus an increased growth in the operations of the handicraft co-operative system is to be observed; but at the same time the figures given for the time being comprise only a relatively small section of the total output of the handicraft industry (15—20%). This is above all explained by the extreme youth of the handicraft co-operatives and the lack of means at their disposition.

Besides economic work the handicraft co-operatives are commencing the wide development of cultural-educational work.

The Position of Intellectuals in the U. S. S. R.

By N. Semashko.

The intellectuals in the U. S. S. R. did not at once come over to the side of the Soviet regime after the October Revolution. Those groups of intellectuals whose work was more closely bound up with the working and peasant masses, specially the village intelligentsia, adhered sooner to the new order; those groups however, who stood nearer to the old Tsarist regime or the order established by the bourgeois provisional government, resisted the Soviet regime during almost a whole year, either actively (by means of boycott and sabotage), or passively (striking on the job). The particularly irreconcilable section of the intellectuals — the active workers of the anti-Soviet parties — emigrated abroad.

It can now be quite definitely asserted that not a single intellectual profession has remained, the workers of which have not recognised the Soviet regime, exceptions being extremely rare. Not a single congress of professional workers takes place (teachers, doctors, engineers, agronomists, etc.) at which there are not resolutions in which the participants express their readiness to devote all their strength and knowledge to the cause of the new socialist construction.

The difficult years experienced by our country during the period of war, blockade and famine was naturally reflected in the position of the intellectuals. During those times the life of the rural intelligentsia was relatively easier, as the village workers (doctors, teachers, agronomists) were nearer to the food-stocks than the town workers. Therefore in those days the task of the Soviet regime was to give main support to the town workers and specially the most highly qualified scientific forces. In the towns special rations were instituted, a little more nutritive than those of the ordinary population, for doctors, engineers and technicians and for those serving in Soviet institutions. But particular care was taken to improve the position of scientific workers.

In 1921, on the initiative of V. I. Lenin, a commission was formed for improving the life of scientists. The members of this commission were M. Gorky, Khalakov (Food Commissariat), Semashko (Commissar for Health), Pokrovsky (Education Commissariat) and the late Prof. Karpov (Supreme Economic Council). At the time of formation the tasks of this commission included: alleviating the material position of scientists (supply of clothing, footwear, and also increased rations, fairly high for those days) as well as improving the living conditions of the scientists (defence of their housing rights, reductions and privileges in accommodation, supply of articles for scientific work, etc.). Besides this the Central Commission for improving the life of scientists gave every scientist a supplementary monetary grant in addition to his salary; the dimensions of this monetary grant depended upon the qualifications of the scientists.

The handicraft coop union publishes a monthly journal "The Handicraft Co-operative Herald" which is destined for the active workers of the handicraft co-operators; jointly with the "Krestyanskaya Gazetta" (The Peasant Gazette) there is published a weekly paper "Kustar i Artel" (Handicraft and Artel) for the wide masses of handicraft workers whether in the co-operatives or not; a whole number of pamphlets and books are published on questions of the technique and economics of the handicraft industry and co-operation.

Besides this, the All-Russian Co-operative Handicraft Union also undertakes the general guidance of the cultural-educational work of the system: struggle against illiteracy, organisation of clubs, and village libraries for handicraft workers, arrangement of courses, lectures, bringing of the youth and women into the co-operatives, etc.

Thus the handicraft co-operative by conducting their organisational and economic work amongst the handicraft workers and artisans, make them participators in the new construction which is now going on in the U. S. S. R., and together with the working class brings them nearer to the realisation of the great aim indicated by V. I. Lenin — Socialism.

It is generally recognised that this Commission rendered invaluable services to the scientists during those difficult years. It will remain a historic fact that the workers' and peasants' regime, at a moment when the population was starving, displayed exceptional solicitude in respect to the scientists; the workers and peasants, though themselves starving paid special attention to the material and spiritual needs of scientific workers.

When the civil war came to an end and the economic and cultural life of the country began to revive, the Central Commission for improving the position of scientists was not dissolved. It still functions to this very day, having changed of course the methods of its work in accordance with the changed conditions.

The direct supply of food and clothing naturally stopped; but activity in serving the material and mental needs of the scientists was brought to the forefront.

For this purpose the Commission had above all to commence investigating the existing scientific forces in the U. S. S. R. A special qualification commission was formed from amongst the most prominent specialists in various branches of learning, which examined the personal qualifications of every scientific worker and distributed them according to categories; first two categories — scientific beginners; third category — professors and teachers of the usual kind; fourth category — scientific specialists and teachers who have already formed their own school and become prominent by their scientific work; and finally, the fifth category — scientists having world fame. The Central Commission has performed tremendous services in that it has made known and established an accurate list of the qualifications of all scientific forces of which the U. S. S. R. disposes. In accordance with the qualification, scientists continued to receive supplementary monetary grants. The Commission also grants relief for illnesses, accidents, etc., both to the scientists themselves and to the members of their families.

The Commission has got a number of laws passed tending to improve the position of scientists in respect to accommodation (right to supplementary floor space; reductions in rent; prohibition of evictions, etc.). The Commission has a free legal consultation for scientists.

The Central Commission has paid special attention to the position of invalid and aged scientists. For invalids, beside the usual institutions, special rest homes have been organised near Moscow, Leningrad and in certain other places and also sanatoria in the Crimea (the former Gaspra) and in the Caucasus. A total number of 5,000 scientists undergo cures every year in the rest homes and sanatoria of the Commission. Two hostels have been instituted for aged scientists — one in Moscow and the other in Leningrad.

For scientists arriving in Moscow on scientific missions, a special hostel has been organised where they may get complete board for a modest price.

Of extreme interest are the "Scientists' Houses" in Moscow, Leningrad, Kharkoff and many other university towns. In these Houses clubs are organised and there are extensive libraries and reading rooms. At the yearly meetings reports are given on various scientific themes, and concerts, readings of compositions, evenings, etc., given. These Scientists' Houses are centres where the scientific workers of various specialities come into contact with those of other professions and thus diminish the one-sidedness of their own speciality. These Scientists' Houses conduct extensive cultural-educational work amongst the toiling population: the scientists give lectures in workers' clubs, and broadcast lectures by radio, etc.

Thus up to the present the Soviet regime is continuing to display special care towards the scientific workers in the U.S.S.R., alleviating their material and spiritual position.

Along with the economic and cultural revival of the country an improvement in the position of the intellectuals is also to be noticed. Wages in all professions without exception are rising. There is a rapid growth in the cultural demands of the population and consequently also in the demand for intellectual labour. There are very few countries anywhere else in the world where scientific work has proceeded so intensively in all fields as in the U.S.S.R.

During the last few years the Soviet regime has been paying special attention to rural workers. Their position both in a cultural and material respect, is of course worse than that of the towns. The economic and cultural revival of the countryside has demanded that particular attention be paid to the rural intelligentsia. A number of measures have been taken in this direction.

First of all the salaries of village doctors, agronomists and

teachers have been raised. Further, in order to keep these salaries from dropping below a certain minimum, a system of State subsidies to the local budget has been established, i. e. the State has participated in the expenditure on salaries for these workers on condition that the remaining part was paid by the local budget, not below a minimum established by the State.

Material conditions of service are assured by special decrees (supply of accommodation with lighting and heating, travelling expenses); privileges are given for the children of these workers (for entering schools and higher scholastic institutions), while periodical rises are given for long service; there is also periodical granting of leave for these intellectual workers to perfect their knowledge; finally social insurance in case of loss of labour capacity, etc.

Thanks to these measures the villages are afforded greater possibilities of obtaining the development of intellectual forces they need.

The Soviet intellectuals are growing up in closer and closer unity with the toiling masses of the U.S.S.R. This process of unity is proceeding all the more rapidly as new cadres of intellectuals are coming from the ranks of the workers and peasants themselves. The workers and peasants of the U.S.S.R. are flooding more and more not only into the schools but also into the higher colleges. Of course the conditions of life and work of the Soviet intelligentsia are still far from being ideal. But they know that the improvement of these conditions depends upon the successes of further construction. Therefore they have bound up their cause with that of the workers and peasants of the U.S.S.R. The Soviet intellectuals are becoming more and more flesh of the flesh and blood of the blood of the workers and peasants.

In the U.S.S.R. the great dream of Lassalle of the unification of science and labour is being realised.

The Code of Labour Law.

How and Through Whom are the Rights of the Workers and Employes Protected in the Soviet Union?

It is the purpose of the present article to deal with the principles for the protection of labour among the workers and employes in State and private undertakings.

Two descriptions of organisations are concerned in the protection of the rights of the workers:

1. The organisations formed by the workers themselves — their trade unions and their broad mass organisations, the factory councils.

2. The State organisations — the people's Commissariat for Labour, social insurance, and organisations for social welfare.

The code of labour law now in force was drawn up by the People's Commissariat for Labour in conjunction with the Central Council of the Trade Unions of the Soviet Union (W.L.S.P.S.) in 1922; and was accepted, after comprehensive debates in the separate districts, by the Central Executive Committee of the Union.

The "labour law" of the Soviet Union is thus the first code of labour law in the world issued by workers and peasants who have come into power.

The code is in every respect under the protection of the State; the carrying out of the labour laws is superintended by a labour inspection committee elected at the congresses and conferences of the Trade Unions*).

"The whole of the State organs are in duty bound to further the objects of the Trade Union (Industrial) federations and their associated bodies, and to place at their disposal completely furnished premises for the establishment of 'labour palaces', 'Trade Union Buildings', etc., and to

accord them advantageous terms for the use of the post office, telegraph, telephone, railways, waterways, etc." (Article 155 of the code.)

1. The Trade Unions and the Protection of Labour.

The Trade Unions of the Soviet Union are based on the principle of voluntary membership. The financial resources of the Trade Unions are derived from the entry fees and from the monthly deduction to the amount of 2%. From this reserves are formed for the requirements of the Trade Unions: 1. Unemployment benefit, 2. Medical aid, and 3. Cultural and political work, etc.

The most subordinate Trade Union body to which the worker appeals in the works or factory, in the institution, or in the economic undertaking, is the factory council, represented in some cases by the shop stewards, in others by the delegate, the Trade Union functionary. The factory council is a court of appeal maintaining the closest connection with the masses of the workers, and as such it holds a uniquely important position, not only in labour questions themselves, but in the sphere of the social conditions of the workers. The factory councils are elected by the general meetings of the workers and employes, for a term of 6 months, and no difference whatever is made between workers or employes organised in Trade Unions and those not thus organised.

The members elected to the factory council are released from all work except the work of the factory council, their wages are paid as before, and their professional qualification remains the same during the whole period of their membership of the factory council. (Art. 160.)

The works or factory undertakes to furnish the means for maintaining the factory council, and to put the necessary premises at its disposal.

The factory councils are responsible to the general meetings for their activities. In large works and institutions (employing no less than 200 workers) delegates are elected (1 to every 10 workers) for the purpose of maintaining close connec-

*) The Trade Unions include only the workers and employes employed in the State and private undertakings.

tion between the factory councils and the workers. These delegates are elected for the term of 6 months. It is the duty of these delegates to keep the workers informed regarding the decisions of the factory councils and the general meetings, and on the other hand to bring forward the wishes and trends of feeling among the workers. The delegates have to call a meeting twice monthly. The decisions of the delegates' meetings are binding on the factory councils.

Every factory council devotes its main attention to questions dealing with the protection of the economic interests of the workers and employees. At the same time it is incumbent upon the factory council to support the workers' and peasants' State in every respect, by means of inducing the workers to aid in the improvement of industry and in the building up of socialist economics. It must be emphasised that the proletariat, in realising its hegemony, pursues interests of its own, opposed to those of the other strata of the population. Thus, for instance, the Trade Unions participate in the campaigns for the increased productivity of labour and for the economy regime, in order that prices of goods may fall, in the interests of the peasant consumers.

The Tasks of the Factory Councils.

The following are the tasks of the factory councils:

1. The protection of the interests of the workers (workmen, employees, and specialists).
2. The raising of the cultural level of the workers (founding of clubs, training for responsible economic and Trade Union work, etc.).
3. The control of production in the interests of the proletarian State (production conferences, campaigns for the increased productivity of labour, for the economy regime, etc.). Exactly the same purpose is served by the commissions of professional qualification being formed, subordinate to the Trade Unions, for the improvement of the qualifications of the workers and for the training of specialists.

The whole of the activities of the factory councils are closely connected with the code of labour law.

Article 1 of the code states:

"The provisions of the code of labour law apply to all wage workers, and are binding on all works and factories, institutions, and economic undertakings (state and military undertakings, public and private undertakings, and undertakings employing homeworkers), and on all persons employing wage workers for remuneration." (Chap. I, § 1.)

Thus the sphere of validity of the code extends equally to the work carried on in the factories and works, to the work done in offices and institutions, to domestic servants, and to agricultural labour, whether performed in a Soviet undertaking or for a private employer.

The worker is engaged on the basis of working and collective agreements determining the nature of his work and the amount of his wages.

"The work contract is an agreement between two or more persons, in which one party places its labour power at the disposal of the other in return for remuneration." (Article 27.)

The collective agreement is concluded on the one hand by the factory of each undertaking in its capacity as representative of the workers and employees, and by the worker on the other, after every single point of the agreement has been previously discussed and accepted by the general workers' and employees' meeting.

The agreements determine certain conditions of work, and these cannot be altered by either party alone. The following condition is, however, imposed:

"Stipulations of an agreement, should these involve a worsening of working conditions as compared with the conditions based on the code of labour law and other legally valid enactments, are invalid." (Articles 19 and 28 of the code of labour law.)

From this it may be seen that the code declares all agreements to be invalid which run counter to the labour laws, and which worsen working conditions in comparison with the conditions laid down by these laws.

II. The State Organisations and the Mixed Commissions.

a) The Standardisation and Conflict Commission.

All agreements made are carried out by the parties to the agreement through the agency of the Standardisation and Conflict Commissions (N. K. K.), composed of an equal number of representatives of both parties. Each of the parties chooses one representative and one secretary each, who have to carry out their duties alternately at the meetings of the N. K. K. Should at any meeting the representative be a representative of the management, a worker member of the N. K. K. is to be appointed as secretary.

The part played by the N. K. K. in the works, or factory is very great, and the N. K. K. is authorised to decide in a very wide circle of matters.

The code of labour law imposes on the N. K. K. not only the duty of carrying out the collective agreements, but also the following obligations:

- I. The examination and confirmation of the division of work and duties according to tariff tables.
- II. The confirmation of the standard outputs.
- III. The determination of the forms of test and expert awards.
- IV. The determination of the terms of holidays.

V. To deal with disagreements and conflicts arising from a violation of the labour law or of the collective agreements.

It sometimes occurs that varying interpretations of this or that paragraph of an agreement lead to conflicts; it is incumbent upon the N. K. K. to make a careful inquiry into the cause of the dispute and to decide whether the worker or the employer is in the right. In order to prevent any possibility of abuse of power on the part of the management, this commission is also entrusted with the important question of the dismissal of workers and employees. The code of labour law precisely specifies the cases in which a workman can be discharged (Art. 47), and the question of dismissal must be dealt with by the N. K. K., thus guaranteeing for the workman under threat of discharge the most unprejudiced decision.

Should a workman damage machinery or cause material loss as a result of carelessness or failure to observe regulations, the employer has a legal right to deduct the damage from the worker's wages, but the deduction must not exceed one third of his monthly tariff wage. The decision as to whether and to what amount deductions are to be made, and whether the damage is to be partially or completely repaid, rests entirely with the N. K. K. (Art. 83.)

All complaints made by workers or employees are to be submitted to the N. K. K. by the factory council or its delegates. The sessions of the commissions are public, and the decisions are determined by a majority vote.

Should any case be found impossible of decision by the Standardisation and Conflict Commission, it is submitted to the arbitration chambers, to the boards of arbitration, and further to the Session of the People's Court for labour questions.

b) The Arbitration Chambers.

The arbitration chambers are organs of the people's Commissariat for Labour. They are set up specially for each case, and have no permanent existence. After a case has been settled, the arbitration chamber is dissolved, and ceases to exist as such. The chamber is composed of a chairman, to be selected by the People's Commissariat for Labour from the ranks of its responsible members, and of representatives of the conflicting parties. The chairman has no vote, his sole duty being to conduct the session, and to promote in every respect the pronouncement of an award. The representatives of the conflicting parties alone possess decisive votes. The arbitration chambers deal solely with cases which have already been submitted to the N. K. K. (Art. 171), but could not be settled by this body; an additional condition here imposed is that the trade union takes part as representative of the workers.

Agreements arrived at by the conflicting parties are binding, and are carried out by the conflicting parties themselves (Art. 174).

c) The Boards of Arbitration.

The boards of arbitration, like the arbitration chambers, are not permanent courts of appeal. The chairman is chosen by the agreement of the conflicting parties, and possesses no vote; he

has however the right of decision in cases where the disputing parties fail to come to an agreement. The separate cases can be passed on to the board of arbitration on the desire of the conflicting parties. An exception to this is formed by the cases known as "compulsory awards" for State institutions, that is, cases in which on the demand of the Trade Unions, the board of arbitration for the settlement of the disputes is appointed by the organs of the people's Commissariat for Labour; in such cases the State institutions and undertakings are not entitled to decline to participate in the board of arbitration. Should the conflicting parties not be able to agree on the choice of the chairman of the board, the authorities of the people's Commissariat for Labour are lawfully entitled to appoint a chairman according to their judgement.

d) The Labour Sessions.

Labour conflicts involve certain specific peculiarities. One of the first of these peculiarities is the profound difference in the position of the conflicting parties, the employer being economically stronger than the worker. The settlement of such disputes demands an extreme degree of careful attention on the part of the court, and it demands from the judge a high degree of ability to deal with workers; he must be familiar with the social conditions of the worker, and must be able to enlighten the worker as to his duties and rights. For this purpose the people's Courts are supported by sessions for labour questions, and both penal and civil questions are submitted to these. The sessions are composed of representatives of the economic organs on the one hand and of representatives of the Trade Unions on the other.

The labour sessions composed of these collaborating elements accomplish an enormous amount of work, and have gained a high degree of popularity among the workers.

The code of law places on the employer the entire penal responsibility for violations of the labour law. Wage workers, on the other hand are not penally responsible, or only in cases where they act as representatives of the employer; in this case they may be held penally responsible.

Should a works inspector, for instance, find that overtime has been worked in a factory without his knowledge or permission, he cannot make the workers penally responsible for this, but only the employer or management.

III. Juvenile Work.

In all questions concerning their work contract, juveniles possess the same rights as workers who have attained their majority. (Act. 31.)

Working hours are restricted to four hours for juveniles from 14 to 16 years of age, to six hours for juveniles from 16 to 18. The standard output is correspondingly reduced; the juveniles output is fixed at three quarters that of the adult worker. Juveniles are not permitted to do any night work or overtime whatever, and there are a number of branches of production in which juvenile labour is completely prohibited. The official lists give 139 of such trades.

Care is taken on the one hand that the developing organism of the juvenile worker does not suffer from excessive work, whilst on the other hand a staff of qualified workers is being trained. For this latter object there exist:

1. The "apprentice service", that is, the organisations ensuring individual training in the factories, works, and other institutions, under the leadership of qualified masters and workers, and 2. the schooling of the youthful workers in the factory and workshop schools and in the Trade Union technical classes. (In the R. S. F. S. R., Republics alone, without Ukraine and the other republics, there are 583 trade Union technical schools and courses of instruction.) The apprenticeship training does not last longer than four years. Not more than one apprentice is allowed to every two workers.

Juveniles are legally compelled to undergo medical examination at least once a year.

Besides the holidays customary for all workers, the juvenile workers have an additional fortnight's holiday, if possible in summer.

IV. Female Labour.

A number of special regulations have been issued for the protection of women and their work.

The code prohibits the employment of women in underground work, the carrying of heavy loads, and, with a few exceptions, night work. In 1921 (introduction of the Nep) the necessity of reducing unemployment among women caused women to be employed at night time or underground in some industries*).

Night work and overtime are prohibited, without exception, for expectant and nursing mothers. Such women also enjoy various other advantages during pregnancy and after the birth of the child. From the fifth month of pregnancy onwards women may not, without their agreement, be employed outside of one definite place (§ 133). The law provides that nursing mothers have not only the customary intervals of rest during work, but are permitted an additional half hour interval at least every 3½ hours, so that they may nourish their children (this means at least 3 intervals, including the dinner hour, in the course of a working day). intervals are reckoned as part of the working time, and are paid for as such (§ 134).

Expectant mothers are given special leave in addition to their regular holidays. Women performing physical work have extra leave eight weeks before their confinement and eight weeks after, four months leave altogether; mental workers receive six weeks leave before and six weeks after confinement, or three full months. During this period of leave the women receive their full wages from the sick club, and a lump sum for the newborn child, a sum amounting to half the average working wage. During the first nine months of the child's life the mother receives nursing allowance to the amount of one eighth of the working wage. As a general rule it is impermissible to discharge pregnant women. Dismissal is only permissible when its necessity is proved to be absolutely unavoidable. (Thus for instance in cases of proved offences against the penal law, or of closing down of the whole undertaking; if the undertaking is only partially closed, the expectant mother is given, with her agreement, other work in the same undertaking).

Women employees and workers dependent solely on themselves, or with children under 14 years of age to support, are exempt from taxation.

On 8. March, on the occasion of the International Women's Day, the working women in all factories and institutions may leave work two hours earlier than the usual closing time

V. Wages.

The wages of the workers are fixed by the collective agreements, or by individual work contracts (§ 58), that is, by agreement. The code of laws, whilst giving the contracting parties the possibility of making an agreement as to the amount of the wages, provides that "the amount of the working wage must not be lower than the obligatory wage level prescribed by the competent State organs for the corresponding categories of work and for a certain given time" (§ 59).

A tariff has been drawn up, dividing the workers into seventeen categories in accordance with their qualifications and the nature of their work. The wages laid down by the agreement are to be paid out at least fortnightly, whilst payment for single or temporary pieces of work has to be made immediately after the work is finished.

Should the worker have to perform work of various qualifications, the wage paid him is in accordance with that fixed by the tariff for the most highly qualified grade of his work.

VI. Protection of Health.

The workers and employees receive their full working wages during their regular holidays. After 5½ months of work, every worker has a claim to a fortnight's holiday. In case of illness the worker receives a longer term of leave (two months and more), apart from his regular holiday. The sick benefit is paid from the health insurance fund, to the amount of the regular working wages. The law enacts that the places of workers or employees absent from work through sickness are kept open for them for at least two months (§§ 47 and 132). Trade Union members requiring special treatment, baths, mineral waters, etc., are enabled to visit sanatoria or health resorts, either free of charge or at reduced fees by means of the Trade Unions.

*) On the proposal of the Trade Unions and of the Department of the C. P. of the Soviet Union dealing with work among women.

Workers and employees requiring rest and recuperation are also enabled, by the intermediation of the Trade Unions, to spend their holidays in convalescent homes by the sea, or in the so-called "floating convalescent homes", that is, in steamers making trips on the Volga and other large rivers.

The labour protection legislation of the Soviet Union has as its main object the protection of the health and the personality of the worker.

Thus no industrial plant may be set running or change its position, without the previous permission of the labour protection inspector and of the organs superintending sanitary technics. The management of every undertaking is legally bound to take every measure for the prevention of accidents and to avoid the effects of work and working conditions tending to injure the health of the employees. Workers in professions especially dangerous to health are given special protective clothing and appliances.

The working hours are restricted to eight, the uninterrupted-period of weekly rest is 42 hours (§ 109). This enactment is carried out in actual fact, it is not merely on paper. Office employees and mental workers, as well as workers employed below bank or in especially injurious professions (mining, chemical industry), and juvenile workers, work only 6 hours daily.

Overtime is prohibited, and is only permitted in a very few cases (§§ 103 and 104), permission having to be granted on every occasion by the Standardisation and Conflict Commission of the undertaking, and the agreement of the workers themselves obtained. The total number of hours worked as overtime may not exceed 120 hours per year for each individual worker, nor may more than four hours overtime be worked on two succeeding days.

VII. Social Insurance.

All contributions required for social insurance in the Soviet Union are charged exclusively to the employers. No deductions may be made from wages for social insurance.

Social insurance extends to all persons working for wages, alike whether the work is performed for private or for State or other public undertakings, or whether the workers are organised in Trade Unions or not. The social insurance of the Soviet Union is the sole insurance of its kind which extends to every case in which the insured worker requires support (illness, unemployment, confinement, disability, death; see § 176).

The sick benefit is paid to the amount of the wages earned by the worker before losing his working capabilities. Should the employer have failed to pay the insurance contributions, the law protects the worker from losing his right to sick benefit by prescribing that the health insurance authorities have to pay the amount when the worker submits a certificate from the factory council showing that he has been employed in the undertaking. The social insurance of the Soviet Union again comes to the aid of the workers when they have no earnings, not owing to lack of capacity to work, but from lack of opportunity, that is, in cases of unemployment. Every person who has been earning wages has a right to the unemployment benefit, pro-

vided he has no other source of income, such as some secondary trade of handicraft, etc.

"The amount of the unemployment benefit is fixed by the competent organs, to the amount of at least one sixth of the average wage paid in the district in question, and in accordance with the qualifications of the unemployed worker and the length of time in which he was earning wages before becoming unemployed." (§ 185.)

Juvenile workers receive unemployment benefit in accordance with their qualifications, without consideration of the length of time during which they were earning wages.

In cases of temporary incapacity for work unemployed benefit is paid until the working capacity has been restored, or until permanent incapacity has been certified by the competent authorities. In this last case the worker may claim a pension as invalid.

§ 187 of the labour code states:

"All persons who have been earning wages are entitled to benefit from the social insurance as soon as they have lost their working capacity in consequence of accident, illness, or old age."

It will be seen from this that a claim to an invalid pension is only possible for those belonging personally to the working class, or to families which have lost their "breadwinner".

The sole restriction existing refers to the old age invalids. Old age invalids have a claim to old age pensions if they were working for wages or salary for at least eight years before becoming incapacitated (or are the widows or mothers of such persons).

The old age invalids receive either old age pensions or are placed in homes for aged people. Old age pensioners who are still robust, and desirous of working, are given the opportunity of learning a new profession adapted to their powers, and can be placed in suitable instruction institutions provided by the Soviet Union instead of being paid the old age pension.

Invalids who have lost their capacity as wage earners, but who wish to carry on some trade or handicraft (without employing wage earners), are freed from the handicraft tax, but receive no pension.

With regard to all other supplementary descriptions of social support, the invalids unable to work receive the same advantages as the other categories of the insured — care and support of children, burial of relations, etc.

War cripples and invalids are not supported by the organs of social insurance, but by the organs of the (state) Social Welfare.

The task which the labour protection system of the Soviet Union has set itself is to use every available means for preserving all working forces to the utmost, and this not merely in the interests of national economics, but in the interest of every individual person, for the aim of a socialist state of society is the organisation of labour upon a basis securing to every single human being the most advantageous possible conditions for the development of his creative powers and faculties.

The Rights of Trade Unions in the U. S. S. R.

By V. Yarotsky.

The history of the working class throughout the whole world has demonstrated that the workers have secured the right of organisation only as the result of the most fierce and stubborn struggle. There is no need to recall that the first quarter of the 19th century was an epoch of the struggle of the British workers for the right to combine. Up to the '80s the French workers had to suffer the most intense persecutions for the slightest attempt to unite against their masters, nor need we recall the well-known fact of the complete prohibition of any workers organisations whatsoever in former Russia prior to the first revolution of 1905. The subsequent law on societies (March 4, 1906) however, had for its object the stemming of the stormy growth of the trade unions, which task it fulfilled successfully.

All these historic facts are now well-known to every educated worker. More important, however, is the fact that after the formal recognition on the part of the bourgeoisie of the rights of the workers to form their own organisations, the working class was compelled by bitter experience to admit the truth of Lassalle's conception that every "constitution" (including the law on trade unions) is nothing more nor less than an "expression of the real correlation of forces". The offensive of capitalism against labour in present-day England quite definitely confirms this conception, in view of the policy of the Conservative government of Great Britain which is most definitely based on restricting the rights of the trade unions. And since under bourgeois rule the real correlation of forces always has the sharp end of the wedge directed against the

working class, the precariousness of the entire system of legal norms which determine the framework of activity and the rights of the trade unions in capitalist countries becomes evident.

We find quite a different state of affairs under the conditions of the proletarian dictatorship established in the U. S. S. R. after the October Revolution. The result of the Revolution was a radical shifting in the entire system of correlation of social forces: the rule of the bourgeoisie was replaced by the rule of the working class. This in the first place was bound to be reflected by a change in the very nature of the legislation on trade unions. Instead of the laws and legal standards which regulate the rights of trade unions being "scraps of paper" scrapped at every step by the organs of the bourgeois State and the employers, these standards in the U. S. S. R. are a part of the fundamental laws of the workers' and peasants' country in which the government is constructed on the basis of working class rule. Article 16 of the Constitution of the U. S. S. R. establishes on the one hand the social and not State legal status of the trade unions, as it presupposes the support of State organs to the unions, as workers' organisations constructed on the basis of independent activity. On the other hand this Article definitely brings the trade unions into the system of social relations, enjoying particular privileges in the Workers' State. It implies the grant of premises as "labour palaces", "trade union houses", etc., rent free, reduction in fees for utilising the post, telegraph, telephone, railway and water transport, etc.

Already from the mere fact of the inclusion of support of the trade unions being amongst the fundamental tasks of the State it arises that the rights and powers of the trade unions in the U. S. S. R. must be regarded as something quite different from those in bourgeois countries. Under conditions of proletarian dictatorship these rights are a system of social relations which strengthen the proletarian dictatorship itself.

This is the reason why the legislation on trade unions in the U. S. S. R. has a very broad structure and grants these unions rights unknown in the legislation of Western Europe or America.

First of all, according to the labour legislation of the U. S. S. R., the trade unions are the only lawful representatives of the workers in social, political and economic life. This conception is formulated in the "Code of Labour Laws" in the following manner: the trade unions, which comprise citizens working for wages in State, social and private enterprises, institutions and businesses have the right to approach various organs on behalf of the wage earners as a party concluding collective agreements and also act as representatives on their behalf on all labour and social questions. (Article 151).

In the system of the State structure, this representative nature of the unions finds its expression in two factors: in the factor of elections to the Soviets, and in the factor of representation on the Soviets. In the elections to the Soviet from the factories the participation of the trade unions in which the workers of the given enterprises are organised is obligatory. At the same time for those categories of workers for whom voting cannot be conducted in enterprises (commercial workers, Soviet employees, educational and art workers) the electoral meetings are summoned by electoral commissions in agreement with the unions and must take place under the chairmanship of a representative of the trade unions. Besides this, irrespective of this participation of the union in the election, there is representation on the Soviets themselves not only of the trade union masses, but also of the trade union apparatus in each electoral district (town, province, yezd): two from every union and a definite number from the inter-union organisations.

In the Supreme State organs (C. E. C. of the U. S. S. R., C. E. C. of the R. S. F. S. R. and other Republics) we find a definite representation of the trade unions, although the elections are conducted by the Congress of Soviets personally, and not according to representation of the separate organisations. The significance and role of the unions is so considerable that in all lists of candidates adopted by Congresses there is included a definite number of trade union workers in order that the opinion of the workers may also be expressed through the apparatus of the unions. In the leading organs of the State and economic structure (such for instance as the Council of Labour and Defence) there is a representative of the All-Union Trade Union Centre (the A. U. C. T. U.) with full voting powers. In appointing members of the Supreme Economic Council of the U. S. S. R. the representative nature of the trade unions is

also taken into account and a definite number of members appointed from amongst trade union workers who upon appointment continue working in the trade union movement*).

In the economic field the trade unions are invested with no less, if not more rights than in connection with State structure. We have already pointed out that among the members of the Supreme Economic Council the trade union movement is well represented. Generally speaking, representation of the unions in the organ regulating economic life and establishing economic policy constitutes a substantial part of the work of the trade unions in the U. S. S. R. While not interfering in the direct administration of production, the trade unions take active part in the work of the leading organs of administration and construction in the national economic system. There is not a single Union in the U. S. S. R. which does not devote a considerable amount of this time and energy to working out and testing the plans and projects of economic construction in the respective branch of national economy. One may cite as an example the metal workers' union, which takes active part in elaborating plans for the entire metal industry of the U. S. S. R.

Therefore, the Code of labour laws establishes for the lower organs of the trade union movement extremely wide powers for participation in the construction of national economy. Article 158 of the Code formulates their rights in this field in the following manner:

"The object of activity of the Committee (factory or local committee) is:

- a) Representation and the defence of the interests of the workers and employers which it comprises, before the administration of the enterprise or institution on all labour and social questions concerning the workers;
- b) Representation before governmental and social organisations;
- c) Supervision of the accurate fulfilment by the administration of the enterprise or institution of the established laws on labour protection, Social insurance, wages, rules of sanitation and technical safeguards, etc., also co-operation with the State labour protection organs;
- d) Measures for improving the cultural and material life of the workers and employees;
- e) Help in the normal process of production in state enterprises and participation through the respective trade unions in the regulation and organisation of the national economy*).

In the various forms of economic organisations of a social nature (consumers' co-operatives, housing co-operatives) in the insurance offices created on the basis of special legislation, — the trade unions have no less important rights. In the field of consumers' co-operation for instance, organised within the U. S. S. R. by the Centrosoyuz, the leadership of the Workers' co-operatives is in the hands of the special Central Workers' Section, which is under the jurisdiction of the All-Union Central Council of Trade Unions (A. U. C. T. U.) and the membership elected by Congresses is appointed by the trade unions.

Such are the rights of the trade unions in the State, social and economic structure. As we see they are marked by considerable scope and make the trade unions active participants in socialist construction. But there is one field in which the unions not only participate, in which they are actually and juridically supreme. This is the field of labour regulation. The State apparatus of labour regulation in the U. S. S. R. is organised and administered by the People's Commissariat for Labour. It is the latter which establishes the minimum wages for the entire country, organises labour inspection, puts into force and elaborates the norms of labour legislation, etc. Everything that is put into force over and above the norms of labour legislation established on a general State scale, is established by agreement through collective agreements between the workers and the administration of the enterprise or institution. But in each of these fields the decisive word belongs to the trade unions. The People's Commissariat for Labour is a state apparatus. However the candidature for the post of People's Com-

*) There is no need to state here that the Unions are an actual "reservoir" for the State and economic system and many workers in the trade union movement are gradually transferred entirely to economic and State work. What is more the overwhelming majority of posts in the U. S. S. R. are occupied by those who have passed through the school of the trade union movement.

missar for Labour, sanctioned by the C. E. C. of the U. S. S. R., is the privilege by the All-Union Congress of Trade Unions and its decision is obligatory for the State: analogically, the most responsible workers of the Commissariat for Labour itself are also appointed by the trade union movement. And not a single labour legislative is passed without the consent of the A. U. C. T. U. With regard to collective agreements these are concluded and can be concluded in the U. S. S. R. only by the trade unions.

All this comprises a systematic order of rights and powers of the trade unions under the conditions of the proletarian dictatorship. The share of the participation of the trade unions in the political and economic life of the workers' State is so considerable by this system of rights of the trade union movement, that at first glance it would seem that the trade unions, even though only partially, were the State apparatus. However, such an impression is absolutely incorrect. The State in the U. S. S. R. does not even control the formation of trade unions. The trade unions are not subjected to any kind of registration on the part of the State organs. They are strictly social organisations which themselves control their existence from the first moment of their formation. Article 152 of the Code of labour laws establishes this quite clearly and definitely. This article reads:

"The trade unions organised on lines determined by the respective congresses of these organisations are not liable for any registration in State institutions, established for societies and unions, and are registered in the inter union organisations uniting them, in the manner established by the All-Russian Congresses of Trade Unions."

In the most "liberal" of the norms regulating the trade rights of the trade unions in this country.

union movement, in the British legislation on trade unions, it is established that the unions also need not register in the State organs. But if they want to have legal rights, i. e. the right to possess property, conduct judicial cases, or in general enjoy the rights of the trade union, they are obliged to register in the established order with the general registrar of societies and associations. In the U. S. S. R. the State authorities recognise as juridical units all organisations of workers registered as trade unions by the inter union organisations and not by state organs and invests such trade unions (article 154 of the Code) with the rights of "acquiring property and owning same; concluding all kinds of agreements, transactions, etc., on the basis of the existing legislation"...

Thus in the labour legislation of the U. S. S. R. the nature of trade union as social organisations is emphasised.

The investment of extensive rights to such a free social independent organisation, absolutely outside the control of State organs and on the contrary controlling the work of the said apparatus arises from the fact that the legislation understands the nature of the trade unions as organs expressing the social opinion of the working class, i. e. that social opinion on the support of which the entire State order of the U. S. S. R. is based. The workers' state based upon proletarian dictatorship cannot fail to see in the system of extensive rights of the trade unions a guarantee of its own stability and subsequent endurance. As we have pointed out above, the real correlation of social forces in the U. S. S. R. makes the trade unions a powerful social-political and economic factor and therefore pre-determines the wide scale and many-sided nature of the norms regulating

Social Insurance in the U. S. S. R.

By N. Yekhovskiy.

I. ORGANISATIONAL SYSTEM.

Contact with the T. U's.

The main distinction between the organisational system of Soviet Insurance from bourgeois systems is that Soviet Insurance organs are based from top to bottom on the principle of closest contact with the Trade Unions.

Central Social Insurance Administration and the Chief Social Insurance Dept.

The work of social insurance in the U. S. S. R. comes under the People's Commissariat for Labour of the U. S. S. R. which directs it through the Central Insurance Administration. At the head of the latter is a director appointed to this position by the All-Russian Council of Trade Unions who is at the same time a member of the Collegiate of People's Commissariat for Labour. The direction of social insurance in the Soviet Union is carried out by the social administration of the respective Republics attached to the People's Commissariat for Labour of the Allied Republics and also directed by persons nominated by trade union organisations. The Social Insurance Administrations are accountable to the Collegiate of the People's Commissariat of Labour on the one hand and to the responsible Central Inter-Union organisation on the other.

Councils of Social Insurance of the Union and Republics.

With the object of obtaining common regulation of all social insurance matters, direction of the activities of the Central Social Insurance Administration, examination and ratification of plans, budgets, etc., there is organised under the People's Commissariat of Labour an All-Union Council of Social Insurance, composed of four representatives from trade union organisations and four representatives from economic organs and departments, with representative of the P. C. for L. (chief of the Central Social Insurance) at the head. For regulation of the work of social insurance in the Allied Republics, similar councils are organised under the P. C. for L. of these Republics. Thus the trade unions are also ensured dominating influence in the Social Insurance Councils.

Insurance Offices.

The direct administration of social insurance locally is entrusted to the insurance offices. The local insurance offices are established on the territorial principle, embracing a district within a radius of not less than two versts and with not less than 2000 insured persons. The local offices are headed by a committee elected for a definite term (one half to one year) by the conference of trade unions of a given locality, Provincial insurance offices fulfilling the functions of local offices in the provincial town and dealing with the allotment of pensions for the whole province and the regulation of the insurance fund of the province as well as directing the activities of the local offices, — are organised in all provincial cities. The committees of these offices are elected at the district sessions of the trade unions.

Both the local and the provincial insurance offices are accountable to the higher organs and to the local department of the P. C. for L. and corresponding organs of the trade unions.

For serving insured workers engaged in large enterprises and also in enterprises situated a long distance from the insurance offices, the latter set up their own branches in these enterprises.

Transport Insurance Offices.

The serving of railway and water transport workers and employees, in view of their specific forms of organisation of labour, is entrusted to transport insurance offices organised on an extra-territorial principle and managed by a committee, members of which are elected at the sessions of transport workers' unions.

Auditing Commission.

For control of the activities of the insurance office committee at the same time as the election of the latter, auditing commissions are also elected, whose duties include the control of financial, operative and economic activities of the offices, inspection of accounts, monies, etc.

II. THE FINANCIAL SYSTEM.

Social Insurance Expenditure at Expense of Employers.

The main difference in the financial system of Soviet insurance from the bourgeois lies in the fact that in the U. S. S. R. all the burden of expenditures for insurance of the workers and employees falls on the shoulders of the employers, whereas in bourgeois countries, the workers pay more than the employers. In accordance with the present code of labour laws, funds of the insurance organs are established from insurance contributions paid by enterprises and institutions on their own account without the right to deduct same from the pay of workers and employees.

Dimensions of Insurance Contributions.

Insurance scales are established by a special regulation of the Central Executive Committee and Council of People's Commissars of the U. S. S. R., obligatory for every locality of the Soviet Union. By the existing regulation of February 26, 1925, a tariff is established amounting for the entire mass of insured to about 14 per cent of their total wages.

Insurance Funds.

The contributions of insurers are entirely at the disposition of the insurance offices which allot from their revenue 5% for the All-Union funds, 5% for the Republic funds and about 26% for the medical fund, the remaining 62% being expended on pensions and relief and also on organisational items. The All-Union fund is expended on reinforcing the funds of the respective Republic on the organisation and maintenance of health resorts and sanatoria on an All-Union scale, maintenance of social insurance museums, organisational expenses at the centre, etc. The Republic funds are expended on the corresponding requirements on a Republican scale. As far as medical funds are concerned, these are transferred to the accounts of the health organs for the rendering of free medical aid to the insured and their families.

Order of Collection of Insurance Contributions.

All institutions and enterprises in which wage workers are engaged are obliged to present a declaration every month to the office and the amount due for the period fixed by the local insurance organs. In the event of non-payment of contributions by the established date, the insurer, no matter who he is, is obliged to pay a penalty to the extent of 2% for the first and 3% on every following month, while the amount owing together with the fine is collected by the agents of the office, directly without recourse to court — by a compulsory order for the confiscation and sale by auction of the property of the debtor. Apart from this, the individuals (owners, or directors of government institutions and enterprises) guilty of not paying contributions in the course of three months consecutively, also of knowingly making a false declaration or communication are liable to summons before the criminal court and punishment by a fine (from personal funds) or imprisonment.

Amounts of the Insurance Payments Contributed.

During 1925, the insurance organs of the Soviet Union collected from the insurers more than 250 million roubles or nearly 95% of the entire sums due and in the first half of the current year about 310 million roubles which represents 96% of the computed amount and a little less than 14% of all wages paid in the U. S. S. R.

III. RELIEF FOR INSURED AND THEIR FAMILIES.

Sphere of Influence.

In accordance with the present code of labour laws, social insurance extends to all categories of hired labour, independent of the nature and period of the work, nature of payment or in which (state, individual, concession, etc.) enterprise their labour is employed.

The number of insured embraced by the insurance offices is illustrated in the following figures: On January 1st, 1923 = 4,940,000; January 1st, 1924 = 5,455,000; on January 1st, 1925 = 6,062,000; January 1st, 1926 = 7,732,000 and March 1st, 1926 = 7,804,000.

IV. FORMS OF INSURANCE.

Forms of Relief.

The existing code of labour laws covers the following aspects of the insurance relief: a) rendering medical aid; b) granting of relief for temporary labour incapacity (illness injury, quarantine, pregnancy, childbirth, nursing sick members of the family); c) Rendering support for nursing infants, purchase of articles for care of infant, burial of insured and of members of his family; d) Granting of relief for unemployment; e) Pension for invalids and f) pension for members of families of wage earners in event of death or unaccountable absence of breadwinner (p. 176, Code).

Apart from the above-mentioned forms of aid, the insurance offices also provide the insured with sanatorium and health resort and places them during the compulsory two weeks vacation in rest homes.

Rendering Medical Aid.

The work of rendering medical aid to insured and their families is concentrated in the hands of special departments of the Health Commissariat organs directed by persons elected by the trade unions. Receiving from the insurance organs about one third of their entire income, these departments are obliged to render to the insured and their families clinical aid free of charge and are given first precedence, also hospital treatments, aid to invalids at home, maternity aid, inoculation of all kinds and also to undertake all kinds of special treatment (water, light, ex-rays, etc.) with the free issue of medicine and the necessary medical appliances in all cases. The organs of health protection also organise creches for the children of insured working women.

The plans for rendering medical aid to the insured and their families are discussed in special councils with the participation of representatives of the trade unions and insurance offices.

Relief during Temporary Disablement.

In the event of temporary incapacity for labour, on the part of the insured, certified by a doctor, the insurance office is obliged to pay the insured from the first day of disablement up to the time of recuperation or of the establishment of permanent incapacity, an income corresponding to the actual wage received prior to illness, but not exceeding seven roubles fifty kopecks per day*).

Pregnant women and nursing mothers engaged in physical labour receive the above mentioned income during eight weeks before and eight weeks after childbirth. Those engaged in mental work, six weeks before and six weeks after childbirth.

It is apropos to observe here that the fears of bourgeois legislators as expressed by them when workers present demands for the payment of complete wages during illness, that this system would "encourage laziness" is unjustified and an absolute slander on the working class: statistical data of Soviet Insurance offices as in the co-efficient of illness of our workers (about ten days per year per insured) refute this calumny in a most convincing manner, for the co-efficient in bourgeois countries, where the worker is merely granted part of his wages during illness, is not only not lower, but even in some cases higher than ours.

In 1925, relief for temporary incapacity absorbed 38% of the entire budget of the insurance institutions (not including the fund for treatment).

Supplementary Grants.

In addition to the above-mentioned grants to women in childbirth, a grant is made both to employed women and also to the wives of insured workers, for the purchase of necessary articles for the child for one month prior to birth to the extent of one half of the average monthly wage in the given locality (for Moscow, this wage is about 80 roubles), and a grant for feeding the child to the extent of $\frac{1}{8}$ of this wage during nine months after birth.

* This maximum is temporarily established for persons with high salaries.

Grants for burial of the insured or members of their families or their dependents amount to the monthly average wage of a given locality for the burial of persons of more than ten years of age, and to half this sum for the burial of persons below this age.

Supplementary forms of relief cost the insurance institutions about 15% of their budget.

Unemployment Benefits.

Unemployment insurance covers all persons who formerly worked for wages irrespective as to the causes of their leaving work, on condition that they have no means of existence. The condition for receiving this grant is registration in the employment bureau during the established time. For unskilled workers and employees there must be a one-year and three-year wage-earning status respectively. Skilled workers and employees and also men demobilised from the Red Army and fleet receive 30% of the average local wage and other unemployed two thirds of this sum during nine months of the year.

Besides this, unemployed have the right to receive supplementary forms of relief (see above) and also medical aid on a par with other forms of insured persons.

In addition to monetary aid, the unemployed also receive from the labour commissariat organs, labour aid in the form of collective and public work organised for this purpose. They also are trained at the expense of the social insurance organs in special workshop schools organised for raising their qualifications.

Side by side with this, the unemployed also enjoy a whole number of privileges in the form of exemption from all kinds of taxes, very low rents, reduced fares to place of work or on returning to native place.

Expenditure on rendering monetary aid to the unemployed comprised 10% of the entire budget of the insurance institutions during 1925.

Relief for Labour.

Right to relief for disability is enjoyed by all wage earners who have lost their labour capacity from injuries, venereal ailments or old age, but in the latter case, they must have eight years wage earning status. Invalids' pensions are granted to an extent of two thirds of the former wage of the invalid if he is absolutely incapacitated for labour and needs outside attention (first group), persons incapacitated for labour but not in need of outside attendance (second group) receive two thirds of the above-mentioned pension, but persons incapacitated for regular work at a trade yet capable of obtaining means of existence by temporary, casual or light work (third group) receive the full pension*).

In respect to invalids with partial loss of labour capacity (IV, V, VI groups) these get a pension to an extent of one third, one sixth, one tenth of their wages respectively if their incapacity is the result of injury or trade illness.

Besides this, invalids have the right to supplementary relief and medical aid on a par with other forms of insured workers and may also receive instead of pension, complete maintenance in the hostels for invalids organised by the insurance organs. Invalids also enjoy the right to special reductions in taxes, rent, free training for children, etc.

Relief for Families of Deceased.

Persons having the right to receive pensions in the event of death of the wage-earning breadwinner (irrespective of wage earning status) are: minors or children incapable of labour,

brothers and sisters of the deceased and incapacitated persons or parents caring for the children under eight years of age, or the husband or wife of the deceased. This pension is given from the time of presenting application: up to sixteen years of age for minors and to the persons engaged in caring for the children up to the time they attain eight years.

The families of insured workers deceased from general causes, receive: two thirds of full pension (see above), in the event of there being three or more pensioners, half of the full pension for two pensioners, and one third of full pension in cases of one member of the family having right to pension. The families of persons deceased through injury or trade illness receive an augmented pension to an extent of three quarters, one half and one third of the wages of the deceased respectively.

Pensions to invalids who have lost their labour capacity through general ailments or old age, as also the families of persons deceased through general ailments, are granted if they have no means of existence. Pensions for persons suffering from injury or trade illnesses as also for their families are granted, independent of the property position of the pensioners.

Besides the grants mentioned above, families protected by the insurance organs receive supplementary grants from the medical aid and the tax, and other reductions mentioned above.

Expenditure on relief to invalids and members of their families, absorbed 21% of the entire budget of the insurance organs during 1925.

Aid in Sanatoria and Health Resorts.

Besides the above forms of aid, the insurance organs also render treatment to the insured in sanatoria and health resorts and also place them in rest homes, upon which from 8 to 10% of the insurance budget is expended. This aid is rendered in sanatoria, rest homes and health resorts situated in the beautiful palaces of the former bourgeoisie and the nobility, now handed over to the insurance organs by the Government of the U. S. S. R. Besides free fare at the expense of insurance organs as also free treatment and maintenance, the insured receive complete wages from the insurance organs both during temporary disablement, during the time of their journey and also while in the sanatorium. The period of sojourn in the sanatoria fluctuates from five weeks for fatigue or nervous cases, etc., three and one half months for tuberculosis, while in rest homes the periods from 2 to 4 weeks in accordance with the length of vacation received by the workers. In 1924, 200,000 workers passed through the sanatoria, rest homes and health spas. In 1925, 250,000 passed through and it is expected that during the present year there will be no less. Eighty per cent of the places are given to workers and twenty per cent to employees.

* * *

The above is a general outline of the work of the social insurance in the U. S. S. R.

It goes without saying that besides the achievements in this work there are no small number of weak points. In particular in the matter of unemployment relief in the U. S. S. R., which is explained by the specific character of the unemployed, the overwhelming majority of whom are recruited from the peasantry and de-classed who have never worked as wage earners. The main reason, however, is the poverty of our country ruined by the imperialist and civil wars.

But the workers of the Soviet Union are not discouraged by these defects, for they hope to overcome them by their energetic work of strengthening their national economy, the position of which is improving day by day.

*) The full pension for an invalid of the first group suffering from a trade illness are granted three quarters of former wage and not two thirds, and the pensions of other forms of invalids are raised accordingly.

Fifth Anniversary of the Development of Agricultural Co-operation in the U. S. S. R.

By Etinger.

1921 saw the beginning of the construction and development of agricultural co-operation.

Two fundamental tasks were placed before agricultural co-operation by the decisions of Party and Soviet Congresses; development of the productive forces of the villages and collectivisation of the processes of peasant farming. During the first years co-operation did a big piece of work with respect to organisational construction, which brought 12% of the peasant farms of the U. S. S. R. (outside the Ukraine) into the network of Union co-operatives.

The following table illustrates the importance of agricultural co-operation in the Soviet Co-operative movement, by January 1st, 1925:

Category	No. of Societies	No. of Companies	No. of Members (in thousands)	General turn over 1923-24 in mil. roubles (in mill.)
1. Consumers Co-operatives	253	24,069	7,255	2,050
2. Agricultural Co-operatives	403	45,600	4,000	619
3. Industrial Co-operatives	259	11,000	400	196

1. Growth of Agricultural Co-operation (except Ukraine and "Free Lance" Co-operatives).

	1/1-24	1/1-25	1/1-26
	Number of Co-operatives		
1. Agricultural Co-operative Society	5,000	5,800	5,192
2. Credit Agricultural Co-operative Society	3,530	7,150	9,606
3. Butter Making Co-operative Society	2,600	3,300	5,160
4. Other Co-operative Agricultural Society	1,920	2,350	3,926
5. Home Industrial & Timber Society	980	1,475	1,687
6. Collective Economics	5,660	4,925	6,879
Total	19,690	25,000	32,450

If one includes Ukraine and the "Free Lance", i. e. the non-amalgamated co-operatives, the number of co-operatives throughout the U. S. S. R. by Jan. 1, 1924 was 34,004; by Jan. 1, 1925 was 42,071, by Jan. 1, 1926 it was 54,758; by July 1, 1925 — the union network of co-operatives included five million persons, or 22.5% of the entire peasant population as against 15.6% on Jan. 1, 1925. Of the enumerated groups, the first two conduct trade operations (purchase, supply, sales, credits to their members). The next three groups are purely producers co-operatives. The last group consist of collective economies which are extended, socialised farms and also at the same time the rallying ground of the poor peasantry. The collective economies have a technical basis — mechanisation and a more rational organisation of labour.

Growth of Collective Economies Including Ukraine:

	1/1-24	1/1-25	1/VII-25
No. of collective economies	17,638	18,627	21,923
Population in the collective economies	—	930,000	1,085,000
Area of land, belonging to them	—	2,497,000 des.	2,974,000 des.

In accordance with the degree of the socialisation of labour and capital one must distinguish between three forms of agricultural collective bodies: the Commune, the artel, and the asso-

ciation for common tillage. 1. The Commune's main feature is full socialisation of labour, capital and means of production. 2. The artel's characteristic is partial socialisation and corresponding distribution of all revenue. 3. Associations for common tillage which are formed by means of the amalgamation of plots of land into one common plot on which the members work as a collective body. All revenue is divided in accordance with the labour expended and the means contributed. Collective economies in primary co-operative constitute 34%. About one-third of the collective economies have industrial enterprises where raw material and agricultural produce are turned into manufactured articles. The percentage of co-operation in the various branches of agriculture is as follows: flax growing — 36%, potato co-operatives — 64%, dairy coops — from 55.9% to 95%, tobacco growing — 80%, beet-growing — 80%, timber — 66.7%.

The social composition of the co-operatives is as follows: In the dairy co-operatives the fundamental group are farms with two and three cows — 47.5%; in the potato co-operatives there were by January 1st, 1925 altogether 33.5% of farms without horses and 60.9% with one horse. The flax growing co-operation farms without horses constituted 14.3%, those with one horse 66.2% and those with two horses 15%. In the bird-breeding co-operatives the poor peasantry plays an even more important role. These data justify the conclusion that the middle and poor farms constitute 93.1% of all the co-operative farms.

Agricultural Co-operatives in the Various Branches of Agriculture.

The establishment of special centres dates from the second half of 1922. The varied nature of the productive economic and natural characteristics of the enormous territory of the U. S. S. R. is a favourable factor which stimulates the development of specialisation in districts where healthy, economic and financial conditions exist for the organisation of the various productive branches of agriculture.

The chief centre of agricultural co-operation is the Sel'skosoюз in which, at first, the commercial operations of all the co-operative organisations were centralised and which, as these operations developed, formed from its own midst other productive centres. At present we have ten special centres: the butter centre (an amalgamation of all dairy co-operatives); the flax centre (society of flax and hemp growers), the Vsekoles (timber co-operatives), the Plodovinsoyuz (fruit, vegetable and vintage co-operatives), the Ptizevodsoюз (the poultry breeding co-operatives), the potato co-operative society, the Koopstrakhsoюз (All Union Co-operative Insurance); the tobacco co-operative society, the corn centre, and the Knigosoyuz (Co-operative publishing house).

Thus as agricultural co-operatives become more and more an integral part of agriculture, their structure of it undergoes a radical change — from universalism to specialisation.

In spite of the formation of a series of centres nearly all the members of these new organisations form part of the Sel'skosoюз which as the universal central society of agricultural co-operatives, is always at their service in connection with a number of operations with regard to supply and distribution. While the main task of the specialised co-operative societies and centres is the organisation of co-operative trade the task before the network of the lower specialised co-operatives is productive activity (organisation of engineering companies, factories, etc.).

Production and Trade Activity of Agricultural Co-operatives.

In the pre-war period agricultural co-operatives were mainly credit co-operatives which pursued the aim of putting peasant farms on a sound basis by the credit system. Under present conditions agricultural co-operatives are mainly engaged in developing exchange of goods and production. Centralised production

and trade systems have come into being on the principle of consistent concentration and industrialisation of the various productive processes in agriculture.

Agricultural co-operatives, which were at first engaged in placing on the market produce in its raw form, are gradually beginning to place on the market this same produce in a manufactured form. These co-operatives do not only carry on trading operations but study the requirements of the markets, endeavour to raise the quality of production and exercise considerable influence on productive processes. Thus the development of agricultural co-operation raises the question of the formation of a big network of industrial enterprises for the further manipulation of the raw produce, in order to stimulate agricultural development in various peasant farms. Here are data illustrating supply, distribution and the further manipulation of agricultural produce in agricultural co-operatives. Supply has a pre-eminently productive character while in 1921 an important role was played in the turnover of agricultural co-operatives by ordinary articles of consumption (textile, sugar, salt), in 1923 these articles played a much smaller role in the turnover. With respect to supply special attention was paid to the development of the collectivist principle: special engineering companies were organised as well as the supply of seed and breeding cattle. The principle of technical and economic reorganisation was also applied. Some branches of agricultural co-operation (dairy, flax growing and others) are establishing butter factories, works for the further manipulation of flax, they introduce agricultural measures such as the establishment of grain-sifting centres, centres for cattle-breeding and for hiring out machinery. They introduce big machinery into agriculture. The achievements of the various branches of agricultural co-operation with respect to supply are as follows: in 1924—25, 75% of the agricultural machinery sent to the villages went mainly through the net work of agricultural co-operatives, particularly the lower co-operatives. Sixty per cent of all the seed required for the sowing area went through the co-operatives. One third of the required amount of vegetable seeds is supplied by the agricultural co-operatives. The dairy co-operative centre supplied to the various co-operatives 4,125 separators, 1,153 churns, 203,000 roubles worth of laboratory appliances and 940,000 poods of cattle food. Through the agricultural co-operatives the peasant farms are supplied with imported red-clover seed, flax seed, machinery, which constitute on an average 27% of the supply operations of the primary co-operatives. The dairy co-operative centre satisfies 80% of the demand for plant, material and provisions. The flax centre supplies the flax-growing districts with no less than one-third of the seed required for the replenishment of the sowing material. The flax centre has put up three factories for the further manipulation of flax. The districts of the potatoes co-operatives were supplied in 1925 with 400,000 poods of first class seed potatoes. In 1925 the Selskosoyuz forwarded 1,110 tractors to various country districts. The supply of mineral manure, breeding cattle and means against pests is developing. Articles supplied by co-operatives to the state industry: 297,000 poods of flax fibre in 1923, and 706,800 poods in 1924—25, an increase of 233%. Potato co-operatives supply 83% of the starch and dextrine required by state industry. The tobacco co-operative co-ordinated 80% in 1924—25 of all tobacco growers and supplied 47,5% of the tobacco required by State industry. The dairy co-operatives embrace over 90% of the total productions, being the owners of 7,000 butter factories. In 1924 the beet-growing co-operatives collected and handed over to State industry 7,060,000 poods sugar beet and in 1925 as much as 26,600,000 poods. Cotton growers collected and handed over to State industry in 1924 6,197,000 poods cotton and in 1925 — 10,500,000 poods. It should also be stated that 57% of the sowing in the general sowing area in 1924 was done by the co-operatives and in 1925 — 73%. In 1925 — 140 million poods of grain was collected. All this shows that the co-operatives endeavour to gradually overcome technical backwardness and to bring the anarchic peasant farming under the organising influence of the co-operatives. Co-operative trade pursues the following aim: 1) to help the peasants place their produce on the market, to collect and coordinate the scattered peasant produce and place it on the market and 2) to introduce co-operative methods for the further manipulation of the raw produce received from primary sources — the peasant farms. The share of agricultural co-operatives in the disposal of the entire agricultural production, which amounted in 1924—25 to 2,676,000 can be put down as 16,5%. The share of the flax centre in all primary co-operatives engaged in the sale of flax,

flax fibre, seed and hemp can be put down as 42%. In 1922—23 co-operative sales in the flax-growing co-operatives constituted 9,9% of the total amount of flax, in 1923—24 — 12,3%, in 1924—25 — 18,9%. In 1925 the dairy co-operative placed on the home market 502,000 poods of butter, which constitutes 43% of the total amount of butter sold on the home market.

General Turnover of Agricultural Co-operatives.

(in million roubles)

	1923—24	1924—25	1925—26
Results of turnover	566	982 (estimate)	1,711

With respect to supply and sales this turnover is distributed as follows:

(in million roubles)

	1923—24	1924—25	1925—26
Supply	258,6	456,8	806,5
Sales	307,4	525,8	904,2

Foreign trade turnover of agricultural co-operatives:

First half of 1925	£1,741,000
First half of 1926	£2,910,000

In the course of their development agricultural co-operatives are gradually bringing under their influence various processes of production. This not only changes the structure of the peasant farms but takes them also out of their isolated position and directs them into the channel of general co-operative activity, overcoming thereby the passivity of the peasant masses.

Agronomic Work of the Agricultural Co-operatives.

1. Agronomic work is carried on a large scale: lectures and courses are organised, publishing activity is developing and cultural forces such as agronomists are drawn into the work.

2. In order to place the various branches of agriculture on a higher level, agricultural co-operatives carry on a struggle against the old forms of agriculture. They introduce **rational tillage**, organise the further manipulation of agricultural produce, provide instructors for the popularisation of the mechanisation of the processes of production, etc.

The achievements of agronomic work in the agricultural sphere were as follows: in connection with husbandry there were in the spring of 1925 in the agricultural co-operatives (except Ukraine) 4,000 grain-sifting centres (50% of the total number) which sifted 11 million poods of grain. In 1924 = 15,000 desiatins were put under selected seeds, and in 1925 = 42,000 desiatins. In 1925 = 3,700 reclaiming-associations were organised which took charge of 700,000 desiatins, 200,000 of which were made arable. In the struggle against pests the Selskosoyuz took energetic measures and protected 600,000 desiatins. The flax centre collected 330,000 poods of first-class seeds and supplied one-third of the required quantity. Through the potato co-operatives over 400,000 poods of first-class seed potatoes were collected and distributed, which resulted in a 20% increase of the harvest. The Plodovinsoyuz supplies first-class cuttings and vegetable and flower seeds and organises nurseries.

Agricultural co-operatives extend their system also to the border states and regions bringing thereby the national minorities of these states and regions into the co-operative movement by finding markets for their produce in the U. S. S. R. and abroad.

The co-operative system creates a basis for socialist exchange of products by connecting the scattered producers with the State economy and by bringing these scattered agricultural producers into the ranks of the builders of Socialism.

Relations between Agricultural Co-operatives and the Soviet Government and Communist Party.

Agricultural co-operatives, the administrative organs of which are elected bodies and which carry on their work in the centre and in the provinces quite independently, have at the same time the full support of the organs of the Soviet Government. As regards the attitude of the Soviet Government to the agricultural co-operatives we give below an extract from the

speech of the President of the Sovnarkom, Comrade Rykov, at the third meeting of Selskosoyuz delegates, on June 3rd, 1925:

"One of the main economic and, perhaps, political questions confronting us now, is the question of the development of agricultural co-operatives. Without the further development of these co-operatives, which organise large sections of peasants, one cannot, in my opinion, imagine the continuance of Soviet economy and the Soviet State, because we have to set against the nationalised and properly planned out industry 22 million unorganised, uncoordinated and scattered peasant farms."

The Third Congress of Soviets held in the summer of 1925, adopted on the question of measures for the development and consolidation of agriculture a resolution, § 20 of which contains the following statement:

"Taking into consideration that the voluntary co-operative societies of peasant producers are the most effective and correct means for raising the level of peasant

farming that only by means of such co-operative societies small peasant farms can resist enslavement by capitalism and can take an active part in socialist construction, the Congress draws the attention of all the organs of the Soviet Government, from the highest to the lowest, to the necessity of full support for the co-ordination of co-operative peasant farming. The Congress demands strict observance of the laws which guarantee the voluntary character of co-operatives, the electiveness of their organs, the inviolability of their capital and the self-activity of their members."

The attitude of the Communist Party to the agricultural co-operatives is best shown by the decision adopted at the XIV. Party Conference in the spring of 1925 and by the decisions of the C. C. of the Party in August of this year. The resolution of the Party conference contains the following statement: "In view of the free exchange of goods and the prevalence of small industry in the rural districts the co-operatives are the fundamental social-economic form of relations between the State economy and the small producers of manufactured articles".

The Main Conception of the Regime of Economy being Conducted in the U. S. S. R.

By Gaister (Moscow).

As far back as 1918, soon after the overthrow of bourgeois power. Vladimir Ilyitch Lenin pointed out that socialist construction demands the most thrifty handling of the national resources and the accurate and thrifty handling of socialist economy. Even then Vladimir Ilyitch considered that the slogans for an economical and rational management of industry and for the creation of a new, conscious discipline in labour should become the "chief slogans of the day". In his article "the immediate tasks of the Soviet Power"*) Lenin wrote: "Keep an accurate and conscientious account of money, manage economically, do not loaf, do not steal, observe the most strict discipline in labour — it is just such slogans, which the revolutionary workers justly made fun of when the bourgeoisie screened by such words its own rule as an exploiting class, but which now, after the overthrow of the bourgeoisie, become the immediate and most important slogans of the day".

The subsequent events — the civil war — naturally were unable to help to put the slogans of economy, accuracy, etc., into force.

With the transition to the new economic policy, the working class in its first years learnt to direct the State, learnt to manage, to administrate production, to trade, and quite naturally this training demanded "losses" — that is why the summons for the most thrifty handling of the country's resources, the summons for an economical conduct of economy, could not be completely put into practice.

But things are different now when we have already a definite experience, both in the field of State administration and also in the sphere of general and practical administration of our economic system.

We are urged towards the introduction of a "severe regime of economy" by the perspective of our future growth and the general policy of industrialising the country, outlined by the Party through the XIV. Party Congress.

During the first five years of the national economy of the U. S. S. R., after the time of the introduction of Nep, we had a stormy growth of the entire national economic system and of industry in particular. This growth is characterised by the fact that for the period of time commencing from 1920—1921 up to 1924—1925, the industry of the U. S. S. R. increased its output

4.6 times. This growth, unprecedented in the history of any bourgeois state, allowed us to load rapidly the factories and works that have remained in our hands from the bourgeoisie of the czarist period.

In the current working year (1925—26) in which industry as compared with the year 1924—25 has increased 37%, we are ending the first stage of development of our industry. This first stage is characterised as the restoration stage during which our industry has reached 95% of the pre-war level (1913).

Subsequent growth is only possible by improving the technique of our production, by re-equipping the old factories and building new factories and works.

That is why at the present time, when we are entering the path of increased production at the cost of new material outlay, when already in 1925—26 as much as 850 million roubles were invested for renewing and extending the basic capital of industry in the U. S. S. R., when the problem of industrialisation urgently demands new resources, the most strict regime of economy in the every-day practice of socialist construction can and must be put into force.

It must be remembered that to fulfil the tasks confronting the U. S. S. R. in the way of extending the basic capital of our industry, satisfying all the growing material and cultural demands of the working and peasant masses and strengthening the construction of socialism, resources are needed which the U. S. S. R. can collect neither "by means of annexing and robbing colonies", nor "with the aid of enslaving loans from other more developed countries" with the aid of which capitalist countries have usually created their own industry. Under present day international conditions the U. S. S. R. must obtain the resources needed for developing industry and agriculture, from within the country. Only by means of increasing socialist accumulation and a rational careful expenditure of the accumulated resources can we accelerate the industrialisation of the country, extend the output of means of production and strengthen the socialist structure.

And the quicker the possibilities will be created for extending our heavy machine industry, the quicker shall we be able to put into force the "reconstruction of industry and with it the entire national economy on a new and higher technical level", and the more rapidly will the U. S. S. R. represent an "independent economic unit, building up in a socialistic manner and capable, thanks to its economic growth, of serving as a powerful

*) N. Lenin, Collected Works, Russian edition, Vol. XV., p. 197.

means of revolutionising the workers of all countries and the suppressed peoples of the colonies and semi-colonies**).

It is for the above reasons that the essence and the tasks of the present struggle for economy now being conducted are much more extensive and profound than the usual periodical campaigns. The task of the present campaign is to aid the wide masses of workers and peasants, to imbue the regime of economic management into the very core of our economic processes, after which the shock element of the campaign is over, and the regime of economy remains as a component element of socialist construction.

The regime of economy now being conducted, by helping to increase socialist accumulation thereby helps the maximum development of industrial construction in the U. S. S. R. and paralyses all attempts at turning the U. S. S. R. into an "economic appendix of capitalist world economy". The regime of economy should aid the extension of housing construction, the satisfaction of the growing needs of agriculture and of the growing material and cultural demands of the working class, in other words reinforce the victory of socialism in the Soviet Republic.

But besides problems of increasing socialist accumulation with the object of industrialising the country, the realisation of the principles of the regime of economy also has tremendous significance in the field of reorganising, simplifying and improving our State, Co-operative, economic, productive and commercial apparatus and bringing them nearer to the masses of workers and peasants. The interest which should be evoked by the campaign for economy among the wide strata of the workers and peasants is also important. Therein lies the profound political significance of the campaign for the regime of economy started by the Party and Soviet authorities.

Pursuing the aim of a maximum cheapening of the Soviet State and economic apparatus in order that as much as is accumulated remains for industrial construction, the regime of economy should simplify this apparatus, bring it as near as possible towards a rapid satisfaction of the demands of the working and peasant masses, and drive out red tape, bureaucracy, officialism, and other heritages of the old czarist period remaining.

Comrade Lenin always pointed out that the Soviet Government should be the cheapest government in the world. It is all the more necessary as the fundamental task of the proletariat in the period of revolutionary transformation of capitalist society to Communist is that the proletariat should utilise its political rule in order "to gradually take away from the bourgeoisie all capital, in order to centralise all the means of labour in the hands of the State... and increase the mass of productive forces as rapidly as possible**).

Therefore the struggle to cheapen and simplify the State apparatus, to bring it as near as possible to the working masses is a struggle for socialism.

In the first place, the struggle for the regime of economy has followed this path of economy in the State and economic apparatus.

The wide participation of millions of Workers and Peasants in the struggle for simplifying the apparatus of the Soviet State and for increasing the socialist accumulation by means of instilling the regime of economy into the every-day practice of our economic management — such is the distinctive feature of the campaign now being conducted.

Already in the first circular of the C. C. and C. C. C. of the C. P. S. U. (b), "On the Regime of Economy", it was pointed out that "campaigns can only be successful in the event of the widest masses of workers and peasants, and above all, our entire Party, being drawn in".

And indeed the participation of the working and peasant masses in the campaign is extending continuously. This is testified firstly by the revival in the work of the productive (workers) conferences in the factories and secondly the large number of letters on the regime of economy being received by our papers from worker and village correspondents. Our papers

are full of letters (concerning unnecessary expenditure, bad management, inflated staffs in our institutions, etc.), which have attacked uneconomical expenditure of the national resources, inexpedient expenditure of money, working hours, etc.

In the productive conferences, which meet in every factory, the workers jointly with the management (presidents of trusts, directors, technical directors, etc.), and the engineering staff discuss all kinds of measures directed towards reducing expenditure, decreasing overhead charges, cheapening the cost of production, by means of economising in fuel, raw materials, auxiliary materials, reorganisation of the productive processes and methods of manufacture, rationalisation of internal factory transport, etc.

In the productive conferences, the workers discuss the existing methods of work, point out the existing defects in the productive and administrative work, and introduce practical proposals as to the means for removing these defects. The workers point out unproductive expenditure not justified by any economic considerations. The workers indicate those places in the economic activity of the factory or trust, where the regime of economy should first and foremost be put into force. Besides all other things, the productive conferences bring tremendous advantage in the way of marking out the workers who are most developed and have the best understandings of production in order that they may be promoted to leading economic and productive posts.

The proposals made by workers through the economic conferences, when put into force, have enabled many millions of roubles to be saved throughout the vast territory of the U. S. S. R.

It is very important to observe that one of the instructions issued by the Party and Soviet authorities in the struggle for economy is that "the fundamental aim of the regime of economy — the development of socialist industry — cannot be realised without improving the material position and cultural level of the working class".

Therein lies the substantial difference between the campaign for economy conducted in the U. S. S. R. and in bourgeois countries. There, the struggle for reorganisation, the fight against losses ultimately amounts to increasing unemployment (Germany), to increasing working hours (Italy), to making the material conditions of labour worse. In the U. S. S. R. the campaign for economy has the object, firstly, of extending industry (which should lead to a decrease of unemployment) and secondly, to improving the material position of the working class.

The struggle for economy is at the same time the struggle for better wages, for better cultural and living conditions of the working class. The more extensive the economic front, the more economy, the more thrifty the expenditure of resources, the greater will be the possibilities for extending the construction of workers' housing; so much less will there be unemployment, so much wider will be the network of workers' evening schools, and so much better will be the actual conditions of labour with regard to safety precautions and the struggle against industrial accidents.

The execution of this general instruction of the Party for the steady "improvement of the material position and cultural level of the working class" should help the carrying out of a strict regime of economy throughout the whole of the U. S. S. R.

The preliminary results of the first stage of struggle for economy show us the following figures in respect to the reduction of unproductive expenditure: in 57 trusts and 12 syndicates on an all-Union scale (trusts and syndicates under the jurisdiction of the S. E. C. of the U. S. S. R.) 45,167,000 roubles have been marked out for reduction; according to local industry, the total sum economised reaches 10,258,465 roubles (these figures are up to July 1st, 1926).

Of course, the campaign for the regime of economy in industry does not stop at these figures. Industry should give the State not a score but a hundred million roubles per year economised, thanks to more rational organisation of affairs and the saving of superfluous expenditure. But the struggle for economy is not merely limited to industry. The total amount economised

* From the resolutions of the XIV. Congress of the C. P. S. U. (b).

*) Communist Manifesto.

throughout cooperation, trade, transport, the State apparatus, etc., has not yet been reckoned up. But here also it is a question not of scores but of hundreds of millions.

The manifesto of the Government and of the C. C. and the C. C. C. of the C. P. S. U. (b) definitely points out: "Our economic and administrative apparatuses swallow up about two milliards roubles per year. There are no grounds for doubting that these millions expended could be reduced to 300—400 and thus acquire additional resources for industry".

If we analyse at whose expense this economy is achieved, we see that the regime of economy is above all conducted in administrative-economic expenditure (Salaries of boards of trusts, syndicates, cooperative organisations, etc.) and trading expenditure (abolition of superfluous trading institutions, reductions of staff in trading apparatus), and in the maintenance of the state apparatus.

Here the reduction of expenditure is effected by liquidating duplication of work, decreasing inflated staffs, liquidating unnecessary trading departments, reducing work in the State apparatus, simplifying and improving the system of accountancy, etc.

Then throughout the whole front of struggle in the factories and workshops the campaign for economy is conducted in respect to fuel, raw material and auxiliary materials. Waste product hitherto not utilised is now made use of. A struggle is

being conducted to improve the technique of work, to accelerate the productive process and to reduce the cost of the product turned out.

The regime of economy demands from our economic organs the realisation of reserves of machinery material, etc., not required for the given economic unit, an acceleration of the turnover of capital, and greater mobility in the realisation of production and the purchases of raw materials of the required quality. The regime of economy demands the abolition of high surcharges on the products turned out, through superfluous "middlemen" stages in the trading and cooperative apparatus.

After our economic system will, to use the words of our late Comrade Dzershinsky, "clean up its own house", the wheels of our economic organisation will work more rapidly, more accurately and more economically.

And therein lies the guarantee of success in our struggle for that edifice of socialism which we are constructing in the U. S. S. R. brick by brick.

And it is in this struggle for increasing socialist accumulation with the object of industrialisation; for simplifying the apparatus, for improving the material and living conditions of the working class and bringing the working and peasant masses into this struggle that the main conception of the economy campaign is to be found.

Appendix.

Statistical Data from the Soviet Union.

I.

Industry.

Economic Year 1923/24.
in mill. roubles

	New buildings	Renovation	Total	of which equipment
Industry	148,2	97,1	245,3	116,0
Construction of great electricity works	42,0	—	42,0	16,8
Transport	44,9	119,0	163,9	83,3

Economic Year 1924/25.
in mill. roubles

	New buildings	Renovation	Total	of which equipment
Industry	245,1	94,4	339,5	160,9
Construction of great electricity works	43,3	—	43,3	17,3
Transport	73,8	152,1	225,9	101,2

Economic Year 1925/26.
in mill. roubles

	New buildings	Renovation	Total	of which equipment
Industry	82,8	196,5	779,3	410,6
Construction of great electricity works	67,1	2,0	69,1	18,1
Transport	171,1	266,6	437,7	242,8

Economic Year 1926/27.
in mill. roubles

	New buildings	Renovation	Total	of which equipment
Industry	579,8	230,0	809,8	444,8
Construction of great electricity works	90,0	—	90,0	45,0
Transport	371,7	135,1	506,8	227,5

II.

1. Total turnover of commercial and industrial undertakings of the Soviet Union.

Economic Year 1924/25.
in mill. roubles

	State	Cooperative	Private	Total
1st half year	4488,0	2531,0	1943,2	8962,2
percent	50,1	28,2	21,7	100,0
2nd half year	5712,0	2889,0	2809,9	11410,9
percent	50,1	25,3	24,6	100,0
Year's total	10200,0	5420,0	4753,1	20373,1
percent	50,1	26,6	23,3	100,0

Economic Year 1925/26.
in mill. roubles

	State	Cooperative	Private	Total
1st half year	7312,0	4333,5	3509,6	15155,1
percent	48,2	28,6	23,2	100,0
2nd half year	7312,0	4333,5	3509,6	15155,1
percent	48,2	28,6	23,2	100,0
year's total	14624,0	8667,0	7019,2	30310,2
percent	48,2	28,6	23,2	100,0

II. Turnover of the Commission-Business of the Soviet Union.

Economic Year 1924/25.

in mill. roubles

	State	Cooperative	Private	Total
1st half year	1996,0	2309,8	1491,2	5797,0
percent	34,4	39,9	25,7	100,0
2nd half year	2704,0	2753,6	2156,3	7613,9
percent	35,5	36,2	28,2	100,0
Years total	4700,0	5063,4	3647,5	13410,9
percent	35,0	37,8	27,2	100,0

Economic Year 1925/26.

in mill. roubles

	State	Cooperative	Private	Total
1st half year	3492,0	4155,5	2693,2	10340,7
percent	33,8	40,2	26,0	100,0
2nd half year	3492,0	4155,5	2693,2	10340,7
percent	33,8	40,2	26,0	100,0
Year's total	6984,0	8311,0	5386,4	20681,4
percent	33,8	40,2	26,0	100,0

III.

Increase of the Foreign Trade of the Soviet Union with the most Important Countries.

Economic Year 1925/26.

Total of Commercial turnover 1420 mill roubles
of which approx.: 750 mill. roubles represent imports
675 mill. roubles represent exports

Economic year 1924/25.

Total of commercial turnover 1287,8 mill. roubles
of which approx.: 567,6 mill. roubles represent imports
720,2 mill. roubles represent exports

According to Countries.

Economic Year 1924/25.

Total imports over European frontiers 633 mill. roubles
of which:
107,8 mill. roubles came from England
101,6 " " " " Germany
188,3 " " " " the United States
Total exports 507,8 mill roubles
of which:
185,4 mill. roubles went to England
87,0 " " " " Germany
21,2 " " " " the United States

IV.

Lower Network and Members of the Co-operatives of the Soviet Union.

On the 1st October 1925

1st October 1926

	number of co-op.	number of members	number of co-op.	number of members
Consumers' co-operatives	25,536	9,347,303	27,438	11,401,708
Agricultural	37,920	5,400,000	40,200	7,138,152
Producers	11,052	519,174	11,227	589,173
Total	74,508	15,266,477	78,865	19,129,033

The Most Important Figures for the Consumers' Co-operatives.

	1st October 1925	1st October 1926
Total of the associations	25,536	27,438
of which:		
Town workers	1,469	1,400
transport "	39	38
rural workers	24,028	26,000
Total of the coop. shops	50,961	57,719

of which:

town workers	12,828	13,963
transport „	1,736	1,900
rural workers	36,397	41,856
Total of the members	9,377,303	11,401,708

of which:

Town workers	3,666,703	4,216,708
transport workers	640,000	685,000
rural workers	5,040,000	650,000

Lower Network of the Agricultural Cooperatives of the Soviet Union (exclusive Ukraine).

	1st Oct. 1925		1st Oct. 1926	
	Number of co-op.	Number of members	Number of co-op.	Number of members
Agricultural co-operatives	5,044	437,200	5,000	565,488
Agricultural credit co-op.	9,360	2,692,800	9,500	3,616,704
Collective undertakings	6,718	137,526	7,000	164,052
Dairy co-operatives	5,020	833,986	5,500	1,118,880
Other agricult. co-op.	3,820	313,688	4,500	405,720
Husbandry a. Timber co-op.	1,638	448,000	2,000	77,616
Total	31,600	4,500,000	33,500	5,948,460

Lower Network of the Producers Co-operatives of the Various Centrals.

	1st Oct. 1925		1st Oct. 1926	
	Number of co-op.	Number of members	Number of co-op.	Number of members
Central Federation of producers' co-op.	5,736	321,004	6,608	375,323
Central Federation of timber co-op.	1,252	94,688	1,213	110,421
Central Federation of co-op. fishing	243	37,216	271	39,519
Central Federation of hunters' co-op.	671	25,000	570	28,000
Wiko	3,150	41,565	2,565	35,910
Total	11,052	519,174	11,227	589,173

System of Co-operative Unions of the Soviet Union Number of Federations.

	1st October 1925	1st October 1926
Consumers' co-operatives	259	241
Agricultural co-operatives	371	375
Producers' co-operatives	180	189
Total	810	805

Turnover of the Co-operatives of the Soviet Union in Millions Roubles.

(Total turnover of the co-operatives with the exception of the dwellings co-operatives.)

	Economic Year 1924/25	Economic Year 1925/26
Consumers' co-operatives	3788	6305
Agricultural co-operatives	1178	2122
Producers' co-operatives	410	1017
Total	5376	9444

V.

Expenditure for Construction of Dwellings in the Soviet Union.

	Economic Year 1923/24			Economic Year 1924/25		
	New buildings	Renovation	Total	New buildings	Renovation	Total
Agricult dwellings and outhouses construction	237,0	263,0	500,0	242,0	268,0	510,0
Construction of dwellings in towns	50,5	66,0	116,5	144,3	104,0	248,3
	Economic Year 1925/26			Economic Year 1926/27		
	New buildings	Renovation	Total	New buildings	Renovation	Total
Construction of agricultural dwellings and outhouses	246,0	273,0	519,0	255,5	282,5	538,0
Construction of dwellings in towns	248,0	155,0	403,0	291,0	180,6	471,6

Co-operative Construction of Dwellings.

Economic Year 1924/25 approximately 34 mill. roubles
 Economic Year 1926 approximately 45 mill. roubles
 Of which out of the own means of the Lower Co-operatives:
 Economic Year 1925 approximately 4 mill. roubles
 Economic Year 1926 approximately 6½ mill. roubles

VI.

Social Insurance.

Total expenditure 452,072,000 roubles
 Total expenditure without funds for medical treatment 169,349,000 „

Total number of sick people treated (sanatoria etc.) about 350,000. In the years 1925/26 the Central administration of the social insurance (along with the People's Commissariat for Health etc.) possesses 3945 beds with 14,008 cases in the season.

VII.

Development of the membership of the trade unions of the Soviet Union.

	1. April 1924	1. April 1925	1. April 1926
Total	5,822,600	6,950,400	8,768,200
Land and forest workers	297,900	497,600	922,200
Miners	294,900	282,200	387,100
Wood workers	127,800	175,000	158,500
Leather workers	94,400	109,500	119,100
Metal workers	531,100	618,400	782,100
Food workers	275,700	341,800	423,100
Railway workers	469,500	805,500	977,000
Building workers	211,900	316,600	535,500
Textile workers	520,400	624,100	773,000
Chemical workers	162,400	180,700	225,300
Garment workers	57,300	65,100	58,400

VIII.

Development of the Membership of the C. P. of the Soviet Union.

On the 1st January 1924	
Members	328,500
Candidates	117,500
Total	446,000
of which:	
44,0% were Workers	
28,8% were Peasants	
27,2% were Employees	

	On the 1st January 1925	
Members		401,481
Candidates		339,636
	Total	741,117

of which:
 57,9% were Workers
 25,3% were Peasants
 14,9% were Employees
 1,9% were other categories

	On the 1st January 1926	
Members		592,143
Candidates		410,346
	Total	1,002,489

of which:
 62,6% were Workers
 19,9% were Peasants
 15,9% were Employees
 1,6% were other categories

	On the 1st April 1926	
		1,045,702

of which:
 625,702 were Members
 419,987 were Candidates

Membership of the Young Communist League of the Soviet Union.

1924	702,000
1925	1,424,178
1926, 1st April	1,878,491

Membership of the Pioneers of the Soviet Union.

1st July 1924	200,000
1st July 1925	1,460,663
1st July 1926	1,832,597

IX. Distribution of Students in the Soviet Union according to Nationalities.

(Informations are obtained from 71 universities.)
 Out of 99,257 students there are

Great Russians	73,039	Marijzen	88
Ukrainians	2,099	Georgians	167
White Russians	1,377	Armenians	984
Poles	608	Turks	63
Jews	14,555	Ossetins	257
Lithuanians	146	Karaims	28
Letts	675	Tatars	646
Germans	532	Baschkirs	44
Finns	37	Tschuwaschs	415
Votjaks	88	Kirgises	39
Karelians	38	Usbeks	17
Esthonians	281	Jakuts	30
Syrjenians	102	Kalmuks	48
Permjaks	24	Burjats	22
Mordvins	179	Bulgarians	37

X.

Membership of the Trade Unions of the Soviet Union on the 1st April 1926.

	In factories	Unemployed	Studying	Total	Women	Juvenile Workers
1. Paper workers	38,652	1,953	543	41,148	10,017	1,926
2. Miners	360,965	18,741	7,417	387,126	36,912	15,506
3. Metal workers	715,526	47,252	19,395	782,173	90,531	42,824
4. Printers	99,138	10,691	701	110,530	27,376	7,690
5. Textile workers	739,603	28,697	4,807	773,107	420,648	37,785
6. Chemical workers	203,762	14,163	7,435	225,360	67,352	14,162
7. Garment workers	51,289	16,171	943	68,403	39,817	5,377
8. Railway workers	907,196	46,924	22,954	977,074	87,487	18,359
9. Municipal workers	200,580	26,427	1,090	228,097	43,790	3,321
10. Wood workers	131,650	24,587	2,339	158,576	21,899	5,498
11. Leather workers	100,194	17,634	1,295	119,123	16,983	8,265
12. Food workers	333,077	86,234	3,842	423,153	95,148	13,736
13. Boatmen	96,303	53,886	4,406	154,595	9,620	3,999
14. Transport workers	143,044	29,321	381	173,246	14,866	1,239
15. Distributive workers	144,342	50,323	352	195,017	143,474	9,609
16. Land and Forest workers	716,519	177,088	28,687	922,294	137,484	57,465
17. Sugar workers	63,831	35,330	1,856	101,017	19,183	3,799
18. Building workers	215,484	210,478	10,029	535,991	27,036	13,006
19. Post, Telegraph and telephon workers	99,873	10,875	1,231	111,979	31,668	544
20. Artistic workers	60,480	16,394	4,456	81,330	28,176	1,272
21. Medicine and Hospital workers	355,106	54,356	33,234	442,696	277,209	1,217
22. Educational workers	581,434	59,250	46,195	686,879	374,387	3,910
23. State and Private Employees	904,497	145,729	19,107	1,069,333	190,162	16,344
Total in the whole of the Soviet Union	7,362,545	1,182,507	223,195	8,768,247	2,217,225	286,153
of which in the R. S. F. S. R.	5,321,900	853,100	171,100	6,346,000		