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## Open Letter from the Communist Party of India.

**To the Prime Minister of Great Britain, Mr. Ramsay MacDonald, to the Secretary of State for India, Lord Olivier, to the Labour Government and the British Working Class, on behalf of the Workers and Peasants of India.**

Right Honourable Sir, My Lord, Right Honourable Sirs and Comrades!

A trial is proceeding in India upon the outcome of which hangs, for the time being, the right of political agitation and association for economic ends of the three hundred million members of the Indian working-class. A charge has been lodged in an Indian Court by the Chief of the Secret Service Department, on behalf of the Indian Government, against eight persons, including myself, for alleged "conspiracy against the sovereignty of the King Emperor", on the grounds that political agitation has been made among the Indian working-class, and that a programme was issued for the organization of the Indian working-class into a political party of their own.

Six out of the eight accused, myself among them, are unable, even did time permit, to present themselves before the Indian Court to defend themselves, four of these six being already interned without due accusation or trial, and the other two being banned from entering the territories of the British Empire. The most arbitrary allegations have been made, without a foundation of proof, and the trial is proceeding to its close without any chance being given to show its true purpose nor the real issues at stake.

Gentlemen of the Labour Government and Fellow-workers of Great Britain, it is not we eight accused who are on trial in Cawnpore. It is the entire Indian working-class and the idea of political agitation and organization of the working-class which awaits the verdict of the august Court. The time-honoured charge of "conspiracy" has been brought against eight individuals, in

order to damn the growing working-class movement in India for social, economic and political emancipation, as illegal. I therefore take the only means which is open to me to address you as the head, not only of the Government of Great Britain, but as the acknowledged leader of the British working-class which has placed you in this high office to defend their interests and that of their class in other countries. On behalf of the toiling masses of India, I call your attention to this flagrant attempt to throttle the constitutional right of agitation, organization and association which exists unchallenged in every other part of the British Empire, and throughout the world. Many attempts have been made to abrogate this legitimate right of political propaganda and organization among the workers of all countries, but everywhere it has been proven that such a right cannot be separated from the fundamental constitutional rights of freedom of press, speech and association which form the bedrock of every democratic Bill of Rights. Without such a recognition of this right of the working-class to organize politically in its own defense, you, Right Honourable Gentlemen, would not sit where you are today. The struggles of Chartism were in their time branded as seditious conspiracy, but you are reaping today the fruits of the Chartist victory.

Such a struggle is proceeding in India, not only on political, but on economic and social lines as well. The movement is all-embracing and is revolutionary in the truest sense of the word, for in its course, the entire outlook and condition of the people are destined to be changed. You cannot, even if you would, limit this great revolution to the upper nor even to the middle classes,

it has already spread to the wide masses of the working-population as well. The strike and lock-out of 150,000 textile workers now proceeding in Bombay, in defiance of the bombs and machine-guns of British Imperialism brought to defend the interests of Indian capitalism, proves this fact. To call such a movement, broad-based on fundamental human needs and aspirations a "conspiracy" artificially fostered by a handful of agitators with foreign gold, is to fly in the face of reality. The trial and conviction of dozens, nay of hundreds of individuals may delay, but it cannot prevent the steady growth of this movement of the Indian working-class towards emancipation from the most unbearable and heartless exploitation it has ever been the lot of any working-class to endure. Dozens of young men have already been arrested and imprisoned; others have been interned without trial, for the crime of having attempted to give leadership and direction to these growing aspirations of the Indian working-class. A new term has been invented in India, not found in the Penal Code, for depriving these people of their liberty. The familiar but false and obnoxious epithet of "Bolshevik Agent". People have been found guilty and sentenced to punishment on this charge, without a shadow of proof or legality. We demand that you protest, as do we, against the allegation that in working for the freedom of the Indian proletariat and peasantry, we are working for anything but the interests of our class. Only the other day, Bombay workers were shot down by the armed forces of the State, which combine with the capitalist class to prolong their starvation and misery, and to force them back to work on the terms which the employers dictate, at the point of the bayonet and by means of the machine-gun! Under such circumstance is there no need in India for a political party of the working-class to defend its own rights and interests, not less than for a party of the middle-class, which claims for itself a larger stake in the country? Yesterday it was this claim of the Indian bourgeoisie that was persecuted and condemned as "seditious conspiracy". Today it is the claim of the Indian proletariat that meets with tyrannous suppression.

Were another party in power in England now, we could expect it to sit idly by, while the weapons of the bomb and the Star-chamber proceed unchecked in India. But you are a Government of the working-class, pledged to support the interests and welfare of your class wherever these are jeopardized. As a Party, you have always proclaimed the international solidarity and brotherhood of the workers. As a Government, you are bound to protect the rights of the Indian workers to freedom of political association for economic ends. Under cover of a trial of a few individuals charged with "conspiracy", for the crime of having preached wholeheartedly the organization of the Indian workers and peasants into a political party of their own, a whole creed, an entire principle and the long history of working-class struggle for betterment is at stake, — the creed and principle and tradition upon which you yourselves, as a Party and as a Government, stand.

Therefore, Right Honourable and Honourable Gentlemen and Fellow-workers of Great Britain, I call upon you in the name of the Indian working-class and in the name of the Communist Party of India, whose right to exist as a legitimate organ of working-class opinion and aspirations is on trial in India today, along with the right of the Indian workers in general to organize themselves into a political party of their own, — I call upon you as the elected representatives of the British workers, and upon those workers themselves to see that justice to the Indian working-class prevails in India, no less than in other parts of the British Empire. Has Socialist and Communist propaganda, — that is to say working-class propaganda, — been declared illegal in Great Britain and the Dominions? Then why should it be illegal in British India? Have Socialist and Communist Parties, — that is to say, working-class parties, — been denied the right to exist in any other part of the British Empire? Then why should India be denied that right? Does affiliation to the Third International constitute a crime on the part of the Communist Party of Great Britain, of Australia, New Zealand, Canada and South Africa? Then why does such affiliation on the part of the Communist Party of India constitute "seditious conspiracy"?

The toiling masses of India will record the verdict of the British Labour Government upon this chapter in the history of their struggle for emancipation.

On behalf of the Communist Party of India  
(signed) Manabendra Nath Roy.

March 21, 1924.

## POLITICS

### The Inner Political Crisis in Yugoslavia.

By Lj. Radovanovitch.

The violent national and party struggles in Yugoslavia have become considerably sharpened in the last few days. Since the founding of this state, two rivals have been carrying on a ruthless struggle for the dominant position in the state. These two rivals are the bourgeoisie of the two numerically and economically strongest nations respectively the centralist and hegemonist Serbian bourgeoisie under the leadership of the Radical Party, with Pasitch at the head, and the economically and financially stronger Croat bourgeoisie under the leadership of Raditch (the Peasant Party). These two parties form the centre of the whole political life of Yugoslavia. After having assembled almost the whole of their respective nations around their banners by means of nationalist watchwords, they are now entering upon the deciding struggle. Between these two extremes within the limits of the bourgeoisie, numerous parties who represent all possible shades are drifting around, formed out of the smaller nations or representing the interests of less important provinces, but who are at all times ready to enter into compromise with one or the other of the extreme parties. Since the founding of the state, the Radical Party has held the apparatus of government in its hands, and by terror, corruption and demagoguery has succeeded in maintaining this power, making concessions now to one party now to the other and playing these off one against the other. These tactics enabled the Radical Party (the Serbian big bourgeoisie), thanks to the abstinence from Parliamentary action on the part of the Raditch Party finally to take over the whole power in the state and to form a homogeneous government. With the change in the tactics of the Peasant Party of Raditch, that is, through this party abandoning its policy of Parliamentary abstinence and by the making of the Croat problem a domestic one instead of an international one as heretofore, a change is taking place in the whole of Yugoslavian politics. (This change in the tactics of the Raditch Party took place after the agreement between Yugoslavia and Italy, as well as after the entry of the English Labour Party into the government, upon whom the Raditch Party had set great hopes and in which they were quite naturally disappointed).

Besides these two chief factors in the political life of Yugoslavia, there exists another factor which is just as powerful, which at given moments plays a very important role, and to a certain extent holds the initiative in its hands. This is the Court with its military clique, the "White Hand" (Bela Ruka). Having no confidence in the non-Serbian population with its strong republican tendency, the court and the military clique had to seek support in the Serbian parties who were reliable from a monarchist point of view and in the first place from the Radical Party. As both groups had an interest in maintaining the centralized form of government, it was not difficult to arrive at a compromise.

However, when the Radical Party had gradually strengthened its position, it pushed the court and military clique more and more into the background with the plain tendency of making them obedient tools. This veiled struggle took the form of open hostilities, and the Court undertook an active policy for the purpose of paralyzing and limiting the power of the Radical Party. Through the leaders of the Democratic Party, which of all the parties of the opposition is the most monarchist and centralist, the Court worked openly at the formation of a so-called opposition, in spite of the variety of their programs, have one interest in common with the Court: they desire the overthrow of the homogeneous Radical government. The opposition block was formed under the watchword "Struggle against corruption" and the Raditch Party supported it quite willingly and for this purpose sent a part of its deputies into Parliament. The essential nature of the political struggle has not been altered by the fact of the opposition block having taken up the struggle as an independent political factor. With the appearance of the Raditch members in Parliament, the opposition block has, as it were, fulfilled its mission because the common aim of the parties of the block has been realized, that is, the homogeneous government of the Radical Party has been made impossible. The further course of the struggle will follow the direction of the interests

of the chief groups, which are the Radicals, the Raditch Party and the Court.

At present the most pressing question is, to whom will the Court give the mandate for the carrying out of the elections, the Radicals or the Opposition Block. No matter how askance the Court and the Radical Party look at each other, the latter offers the Court the best guarantee that the republican, autonomous, and federalist elements will not obtain the victory in the coming elections. If the opposition superintend the elections, it is beyond all doubt that the Raditch Party would be returned in a greatly increased number and might even be the strongest fraction in the Parliament, around which not only the Croat Federalists would gather, but also the Macedonian, Montenegrin and Voyvodian Federalists. Moreover, the Court has achieved its purpose for the time being, which was the formation of a coalition government in the place of the homogeneous and which will lead to differences within the government between the various parties, while the appearance of the Raditch members in Parliament has already forced the Radicals to retreat. A further co-operation with them is now possible, as they both have common interests. Taking all this into account and remembering the Parliamentary usages, it is probable that the coming elections will be carried out by the Radical Party.

There is no doubt that the struggle between the Serbian and Croat bourgeoisie is entering upon a new phase and that it marks the beginning of a new political course. The centralised policy, in the form in which it has so far been carried out, has already suffered a defeat and the centralist Serbian bourgeoisie sees itself compelled to make concessions to the autonomist and federalist parties. As, however, time and struggles were necessary in order to force the Serbian big bourgeoisie to this retreat, so time and struggle will also be necessary in order to arrive at a compromise between the Serbian and Croat bourgeoisie assuming that the events develop peacefully and quietly, both in respect to domestic and foreign politics. In this struggle, the position of the centralists is still much stronger than that of the federalists and autonomists. By means of certain small concessions to the autonomists and quasi-autonomists, such as the Democrats, it will still be possible for the Radical Party to play the leading part in Yugoslavian politics for a certain time. By concessions to the Croat big bourgeoisie in the field of finance and economics (raising of the credits to the Croat banks and industries), the centralists would succeed in making a breach in the Croat national block, at the head of which stands Raditch, and thus they rightly count upon breaking it up into its social components. The large capitalists of the Croat block, the Croat Union, are already clearly displaying a wavering towards the right and are continually repudiating the extreme planks of the Raditch Party by means of which the latter is endeavouring to keep its socially heterogeneous mass together. The small bourgeoisie of town and country will still continue to be the bearers of the idea of Croat national liberation and will maintain in some form or other a determined struggle against the Serbian hegemony. The Raditch Party will find its support in their ranks for a long time, and their opposition will be made use of on a large scale by the Croat big bourgeoisie, as it has hitherto.

## Oil in American Politics.

By I. A. Mter.

A scandal that threatens to break up the Republican Party and engulf the Democratic Party has arisen in the United States. The ramifications of the scandal have not all been touched, and more disclosures are being made daily. As both parties are implicated, one is outdoing the other in bringing to light every phase that will discredit each party. Up to the present, the Republican administration is most involved and, as a result, an open rift may take place at any time.

The scandal arose over the now notorious Teapot Dome oil reserves. The American navy is turning more and more to oil power, as being the most economical fuel. Loading and storage in tanks on board a vessel can be effected with a big saving in time, wages and space. The big oil corporations have grabbed up almost all the oil resources of the country. Hence the government decided to reserve the Teapot Dome fields in Wyoming, the lease of it to take place only upon approval of Congress.

American capital has got used to taking care of its own business even before Harding issued the famous slogan, "less government in business". Hence Mr. Fall, Secretary of the In-

terior, under Harding, decided to negotiate a deal for the Teapot Dome oil with Sinclair, the oil speculator, who is well known in Soviet Russia and the East, and for some Californian oil fields with Doheny, notorious for his American and Mexican oil operations. They entered into friendly relations with Mr. Fall on this very delicate matter as friend to friend. Teapot Dome has a production of 26,000,000 barrels of oil a year. But this big production was under the control of Mr. Denby, Secretary of the Navy. Hence, Mr. Fall persuaded Denby to hand it over to him, since it belonged rather in the department of the Interior than of the Navy. Denby could have nothing against it, as long as his friend Fall favoured it. Thereupon Fall, Doheny and Sinclair considered that if Schwab, of the Bethlehem Steel Corporation, during the war could charge the government 3 billion dollars for wooden ships, only one of which ever crossed the ocean, and get paid for them, surely they would make a better deal and the government and the people would rejoice that they had not been robbed so much. So Mr. Fall and Mr. Sinclair decided that they would give the government 1,600,000 out of the 26,000,000 barrels, or about 1 barrel out of every 16 that was produced. That surely was fair, and, as it was to be kept secret, nobody would hear of it, and if they did, they could not complain.

But Sinclair was more generous. The American government must have this oil stored at strategic points. Sinclair was willing to transport it in tanks to Hawaii and store it there. Thus, he becomes doubly patriotic and sees further ahead than even the government. This is public spiritedness that should be held up to school-children as a model!

To be sure, Mr. Fall cannot be expected to do these favours for nothing. He is a friend of Sinclair and of Doheny so they reward him. Mr. Fall has a ranch in New Mexico — he had retired from the cabinet owing to differences with Harding. And it just happens that he needs a small sum of money to make some improvements on the ranch. Whom should he turn to, when in need, but his good friends Doheny and Sinclair? Doheny, generous as he is and always willing to do a fellow a good turn and to return a favour, gives him \$100,000, and Sinclair gives him \$68,000.

Fate would have it that this little private matter should become public. Sinclair suddenly had business in Europe and immediately sailed. Mr. Fall was in Florida, ill and uncomfortable. But he assured the world, that the whole thing was a foolish tale garbled by scandalmongers. He had not received \$100,000 or \$68,000 at all. And as for his being to blame, he did not hand over the Teapot Dome to Sinclair or the California oil fields to Doheny. The matter was thoroughly discussed in Harding's cabinet. It was generally approved — even Harding approved it. And Coolidge, who was only a vice-president at that time, because Harding had not yet died — Coolidge had been present at the cabinet meetings; he knew all about it and did not disapprove. If the cabinet of the U. S. government believes in handing the natural resources of the country over to private exploitation — even if it is against the law — whose business is it? The U. S. government is responsible and nobody else.

The first thing to do in such cases is to state very boldly that there is nothing wrong in the deal. If the public will not believe it, then declare that it was the act of a single man — in this case Mr. Fall, who is no longer a cabinet member, so that the present administration cannot be held responsible for his reprehensible act. A man in the position of Mr. Fall, of course, must stoutly deny that he received any "fee" or "loan" or "gift" for such a favour. This is all right among friends; but this is election year and people have away of thinking wrong when politics comes up. So Mr. Fall denied the existence of the \$100,000 and the \$68,000.

Fate again would have it otherwise. Good friend, McLean, friend of Mr. Fall and also of Doheny — and also interested a little in oil — told about taking the \$100,000 to Mr. Fall in nice, clean bills, no cheque, so that there would be no trace left of the transaction. Sinclair told about having three notes from Mr. Fall, nice notes without a time limit and bearing no interest — just such a transaction as friends would make between themselves. These notes were not intended for the public. Only a memento for Doheny from his good friend, Fall, which he would keep locked in his safe, where nobody could misinterpret the motives of these two good friends.

But Senator Walsh, the Democrat, and opponent of the Republican administration, was looking into this matter quite earnestly. This is an election year and any scandal that one can raise against the existing administration is gold for the other party. Here was a vile crime that must be unearthed in all of its rami-

fications. The Progressive Republicans with La Follette at their head, who are waiting for any kind of an uproar in order to discredit the present party leadership and take over themselves, pounce upon it with glee. It is election year and anything is fair at such times. An investigation is started: the Senate must investigate. That is its duty — that is its function.

Surely, however, Coolidge, who has since become president, would not remain silent. But he did — strange to say. He was astonished at the fearful disclosure. How could it be done — by the Republican Party — and this is an election year. Coolidge is not yet beloved by the people of his country — especially the farmers — and now comes a scandal that might shake the Republican Party to its foundations. The Progressive storm aided by the Democrats in the Senate gathers. Coolidge sees that he must act — of course, with dignity as befits a president of the United States. So he acts.

He appoints a special committee to investigate the horrible affair — thoroughly, leaving no guilty person unscathed. He appoints a non-partisan commission: but lo and behold, it is found that even the Democrats whom he sought out in his wisdom and frankness, are somehow involved in this oil business. Gregory, Assistant Attorney General under Wilson, who saw to it that 5,000 revolutionists were maltreated and deported; Garrison, Assistant Secretary of War under Wilson, who was a real liberal and disagreed with Wilson, also had their hands in oil. So Coolidge has to appoint another commission, but loud voices declare them also incompetent. Coolidge is determined to see justice done. He had not learned in Sunday-school for nothing that "honesty pays", "virtue is its own reward" and the many other beautiful sayings and proverbs of the great teachers. No, Coolidge, now president of the United States, in whom has been placed a terrible trust, will see to it that no man guilty of stealing the national property goes unpunished. That is his duty as president of the United States, and Coolidge will do his duty. The people may trust him to do that.

Coolidge has a Department of Justice, whose function it is to investigate just such matters. This Department and its head have been occupied very much of late hunting down Communists and striking workers. The chief of the department, Mr. Daugherty, two years ago took great pains to keep the country from ruin by getting out that splendid Injunction against the striking rail-roads. He has also been very busy, with the aid of his good man Burns, chief of the Secret Service, in rounding up boot-leggers. Loose-tongued people, however say that they have taken bribes to keep off prosecution — but that is all idle gossip. Public officials like Daugherty and Burns could not commit such ignoble deeds, for money can be earned in many other ways. Daugherty is also said to have been very busy punishing the scoundrels guilty of war frauds. The public has not heard much about the cases — but Daugherty has them well in hand.

But the scandal-mongers get busy once more. How can Daugherty investigate this fearful affair, when, as Attorney General of the United States government, he must have known of the lawlessness of it — and he attended the cabinet meetings at which the matter was discussed and approved of the deal? And how about Coolidge? He was present at the cabinet meetings himself, and knew all about the affair and yet did not say a word? In fact he seemed thrown into consternation when the whole affair popped up. This surely was too terrible. Then there is the Assistant Secretary of the Navy, Roosevelt, son of his father of like name. He is said to have stock in Sinclair's concern. Surely no son would disgrace his deceased father that way and get implicated in a public scandal? There are whispers about Senators and other public men, and public-spirited men who have done noble duty at national crises, such as when America was to embark on the war, when workers were "striking against the public", when Communists were pointing out the nature of the capitalist government — there were whispers that these public men were somehow involved. It was being said that they bought oil stock and engaged in other questionable deals. How could these men do such things? Did they not go personally to factories to speak to the workers about the "sanctity of property", the beneficence of capitalist government? Did they not speak at the Young Men's Christian Association about the ethics of public life and the viciousness of the Communists and "Reds"? How could they then even attempt such patriotic measures, if they were guilty of a nefarious steal on the "people's" property?

But rumours persist — they have a funny way of doing so when alighting on such thick fluid as oil. Rumour even said that

General Wood's son in the Philippines — the brave general who shot down steel workers when Wilson was still alive and now is shooting down Filipinos who are asking for the freedom that was promised them, and who, they say, is letting some New York bankers make profits in the Philippines for supporting his nomination for the presidency in 1920, which however, he did not get — but one good turn deserves another. Well, they say that this good general's son made a little fortune of a few million dollars speculating also in oil, by having a good brother in America who gave him tips.

Here it is time to step in. The Progressives and Democrats are raising hell. They are demanding the resignation of Denby. Coolidge stands by his friend. If he is guilty, then they all are. The Chairman of the Republican National Committee refuses to believe in Denby's guilt, and stands by him. There is trouble ahead, however, if a scapegoat is not found to appease the public wrath. Denby is willing to go. He resigns, and Coolidge, with tears in his eyes, writes him a note of acceptance expressing his deepest regrets. The Progressives yell with glee: their appetite is not yet satisfied. Daugherty who should have known of the illegality of the whole proceeding and whom they hate with their whole heart and wanted to force to resign for a long time — Daugherty must go, too. But Daugherty is ill — ill in Florida, where his friend Mr. Fall is. Daugherty, sick man, refuses to resign and no one would take advantage of a sick man. He promises to return soon and to enter the fight against his calumniators. Coolidge, good man who does not like to hurt a good man's feelings and altogether has such a broad sense of justice which he inherited from his fathers, but more particularly from his predecessor, the deceased president, Harding — cannot think of asking him to resign, even though the clamours rise high. Roosevelt, the papers demand, should also resign — but this would only increase poor Coolidge's burdens, and no one would ask the President to assume more obligations when he has the tax and bonus questions to solve, the provoking farmer and reparations questions to settle. This is altogether too much.

But let not the Democrats laugh with such glee. Have they also not a Teapot Dome? Is there not Mr. McAdoo, son-in-law by marriage of another deceased president, Wilson, who manages even though dead, to get mixed up with all this oil? Has he not had his dealings with Doheny, who gave him a little retainer of only \$ 250,000 to help him in his oil affairs in Mexico? McAdoo, good soul that he is, cannot help that he had good connections in Washington who fix up such matters. Doheny is a liberal fellow. He promises Mr. McAdoo even more — as much as \$ 1,000,000, if he puts through this deal successfully. No \$ 100,000 for Doheny this time: he can afford to give his legal friend munificent retainers and to make glowing promises. Why not? He made \$ 100,000,000 on the transaction, and a lawyer is entitled to one per cent of the earnings.

Some foolish, weak-kneed Democratic organs say that Mr. McAdoo cannot be the Democratic presidential candidate. Mr. McAdoo rushes to Chicago to consult his boosting committee, and after the conference assures the American public that he can run without any sully to his name and any danger to the party. Coolidge remains placid within the ruins of his castle, which is crumbling over his head, and smilingly tells the guileless American people that he is their only logical Republican candidate. La Follette, the scheming Progressive wants the Republican nomination himself. Surely after such disaster to the frail fabric of the Republican Party, none is better fit to be the leader and next president of the United States than La Follette.

But what about the American people — the 110 million workers and farmers, who experienced the pillage during the war — which is not yet over — and are witnessing one of the boldest steals in the history of the country? Are they going to change to the other capitalist party, the one that does not happen to be in power and take another chance? Or will they take a lesson from this whole dirty business — as ordinary and commonplace as it is in American political life — and form another party? Will this new party be another capitalist party allowing its leaders to swear the same oaths and engage in the same oily business when it grows up? Or will they form a class party of the workers and farmers — with a class point of view and a class aim, which will have as its goal the establishment of a government of workers and farmers?

Undoubtedly this oily business will have a tremendous effect on American politics: the Republican Party faces a split; the

Democratic Party has disgraced leadership; the Progressives, especially La Follette, feel that they are entitled to the Republican Party leadership. The great masses of the workers and farmers are beginning to recognize the nature of the capitalist governments and are waiting for something definite to happen. They are nauseated with the proceedings, but must be driven to action. The Communists are taking advantage of the situation and are reinforcing the propaganda for the formation of a class farmer-labour party. A convention will take place on May 30, at St. Paul: the issue will be a class party against a petty bourgeois party. La Follette, although the leader of the petty bourgeois movement, hesitates between the Republican nomination and the formation of a petty bourgeois party. The influence of the Communists will be decisive.

## The Elections for Parliament and Senate in the Russian Carpathians.

By M. Vanek (Prague).

Although the Czecho-Slovakian Republic has existed for five years, the elections for the Czecho-Slovakian Parliament and Senate, long overdue in that part of the Republic known as Carpathian Russia, have only just taken place. Out of the nine seats in Parliament and four in the Senate the Communists have obtained five and three respectively. The following article explains the political significance of this election success of the Communist Party of Czecho-Slovakia. Ed.

We went into the elections in the Russian Carpathians with a very practical program. We pointed out all that was injurious and bad. We did not promise a kingdom of heaven on earth, but endeavoured to stir up the maximum of the latent energy of the people of the Russian Carpathians in order to be able to undertake the amelioration of all ills by means of the power of the people themselves. We acted thus, because we are aware that the vital question for the population of this country, the land question, could be solved today more rapidly, more justly, and more usefully than it is "solved" now to the misfortune of tens of thousands of families of this state. We pointed out that the present regime was wrong in declaring that the oppression and desperate situation of the Russian Carpathians was only to be attributed to the agricultural backwardness of the land and the illiteracy of the population. We laid the necessary figures for the carrying out of the land reform before the moujik. We explained to him the true causes of unemployment, condemned the corruption, and gave illustrations of the terror, deceptions and machinations which are unfortunately so well known to their oppressors. And finally we declared our solidarity with him for improvement, for purification and for the creation of a better future.

The electoral campaign was carried on by twelve parties besides ourselves, (excluding those parties who did not nominate candidates).

In this province, there are twenty to twenty three various political parties and groups, and all of these sought the confidence of the population and offered their co-operation. The majority of these parties, including the government parties, supported their offers with political and material promises. There was no lack of money, nor of great political lights who suddenly, at the last minute, discovered to what a hitherto unsuspected extent the fate of the people of the Russian Carpathians weighed upon their hearts. But this people, workers and peasants, decided in its majority against all those parties and elected the Communists, consequently hostile to the Government, and thus expressed its mistrust of the Prague coalition government.

When we Communists during the past three years endeavoured to obtain the issuing of the election writs, the government parties answered us with cynical gibes. They were hoping that the ebbing of the tide of revolution would enable them to carry out the elections more comfortably and that they would have an election in which the Communists would appear as a fantastic insignificant sect of hopeless dreamers. Just two weeks ago, Anton Svehla declared along with tremendous applause from the Parliamentary majority: "We have already had elections (municipal elections in the autumn of last year. Ed.) and they were decided in our favour, for the coalition, and will be so decided, even if they are held ten times." This spurious confidence sounded quite hollow two weeks ago. But that these historical

words of a great man in the coalition have not survived fourteen days can be proved today by every one in Czecho-Slovakia, even if he is not one who would apply the results of the elections in the Russian Carpathians to the whole republic.

The Communist Party of Czecho-Slovakia shows no tendencies to become a small sect, on the contrary, it has been the most powerful champion of the class interests of the industrial proletariat in the past three years, and is rallying the poor peasantry and the progressive intellectuals around itself more and more. The confidence of the moujik of the Russian Carpathians in the Communist Party, and his rejection of the Svehla Agrarian Party is an important symbol, the significance of which reaches far beyond the boundaries of the country itself. Without exaggeration we can say that, in domestic politics, these elections amount to a crushing criticism and settling accounts with the coalition government, and not only on account of the latter's policy towards the Russian Carpathians. Only recently, the anxiety of the coalition concerning these elections has risen 100%, and in the same ratio the coalition will now probably feel a desire to undertake reactionary measures, not only to improve the opinion of the press over the current corruption and that of the population of the Russian Carpathians over land reform, but also that of the population of the whole Republic over the coalition government. However, since the elections of March 1924, it appears more than doubtful if the strength of the reaction will grow to the same extent as its wish.

Up to the present, it is impossible to estimate the foreign political significance of the elections. The Russian Carpathians were united with the Republic of Czecho-Slovakia as a result of a voluntary plebiscite of the population in November 1918. At that time at least the Entente characterised this plebiscite, which was carried out by the "Council of Carpathian Russians in America", as a voluntary one. The results gave 28% for union with the Ukraine, 1% each for Russia, Hungary and Galicia and the remaining 69% for Czecho-Slovakia. By the Treaty of St. Germain, the Russian Carpathians were united with Czecho-Slovakia in the form of an autonomous territory with its local Sejm (Parliament with limited power) and certain administrative conditions. Since then five years have passed, but there exists still no Sejm in the Russian Carpathians. Only now, after more than three years illegal delay, the Czecho-Slovakian government felt itself in duty bound to issue the writ for the elections for the central Parliament in Prague. And these elections have brought them a crushing defeat. This summing up of the five years of coalition government takes place moreover at a time when the political parties of Poland have already directed public attention towards the Russian Carpathians as an object of interest for the Polish state. At the same time the Russian Soviet Union has established its inviolable rights to Bessarabia before Roumania, another member of the Little Entente. How worthless is the dispute over the question — fanned by the Czecho-Slovakian Government — whether the Russian Carpathians are orientated towards Russia or the Ukraine, at the moment when the greater part of the population of the country gives its vote for the Communist Party whose orientation towards the Russian Soviet Union is quite unequivocal.

Today, out of all these circumstances, besides all other concrete conclusions, the following conclusion must be drawn: If M. Benes desired a proof for the eastward orientation of the population of Czecho-Slovakia, it has been furnished by the most eastern portion of the Republic.

If the gentlemen of the coalition government wish to cheer themselves up a bit, as was done by the evening papers after the first reports of the election results, that is, if they wish to argue that the Communist victory is to be attributed merely to "Bolshevik gold" or to "Communist demagoguery" which deceived the "uneducated folk", then so much the worse for them. To that we have only one answer: the warmest thanks and admiration for those hundreds of our valiant comrades who achieved superhuman things in the election campaign and who carried the program of the Communist Party in word and writing to the most remote villages of the Russian Carpathians. Filled with enthusiasm, without money, poorly clad, at times hungering, they defied all the snowstorms and other dangers that threatened them in their journeys on foot which amounted to between fifteen and thirty kilometres. Naturally, none of the other parties in the district can understand that. They had to pay at every step, for every little election work with good banknotes, and even the Social Democratic Party was not spared. Therefore they have not the least notion what it means to be a represen-

tative and agitator who is filled with conviction. We, however, count the fighting spirit and the unselfish readiness for self-sacrifice of the comrades of the Russian Carpathians and the political awakening of the land to which they have contributed so much, as among the greatest achievements of our political work during the past three years.

We have many reasons to think over the results of these elections. It would be incorrect to exaggerate our part in the victory. The defeat of the coalition government does not mean the victory of Communism, of that we are quite aware. There is still much to be done, if we wish to gain the ability and experience to fulfill all the tasks which are gradually falling to the revolutionary movement in Central Europe. We feel it our duty to say that now, so that we shall not fall a victim of any optical illusion. It is undeniable that the recent victory in the Russian Carpathians means a vote of confidence for the Communist Party of Czecho-Slovakia from the poorest of the poor classes, and once that will bear fruit. For it is a proof that our efforts to place the full force of the workers and peasants against the present regime in the Republic, and our campaign of purification is supported by the confidence of hundreds of thousands.

## ECONOMICS

### The International Economic Situation.

By Eugen Varga.

#### II.

#### The Reparations Problem.

After an interruption of over a year, the Reparations Commission in January 1924 resumed its activity. Although in preceding reports we have invariably given precise details regarding the development of the reparations problem, which constitutes a central problem determining the fate of European economy, we shall on the present occasion precisely in view of the long period of interruption in the activity of the Reparations Commission repeat the most important phases of the development of this problem.

The essence of the difficulty consists of an interior contradiction:

1. The victorious powers committed the error of assuming that the vanquished states would be economically capable of delivering gratuitously to the victors, without intermission, such large portions of their production that, as a result, the very generously estimated war damages of the belligerent countries could be covered.

2. The victorious powers had not reckoned with the mechanism of capitalist economy, which renders it impossible to receive gratuitously such large masses of values without thereby destroying the economy of the recipient countries themselves. The history of this attempt which now lies before us shows the impossibility of these assumptions. Germany was unable to pay in gold, since she does not possess any such large quantities of gold. Therefore she would have had to pay in goods. But the world market was not capable of absorbing such quantities of goods, since there existed no effective demand for them. As the result of the sabotage on the part of the French industrialists, who did not wish to lose the very lucrative business of reconstruction work in the devastated areas, and partly as the result of the resistance of Germany, there was prevented that which would have been actually possible, namely, delivering of reparations in kind for the reconstruction of France, that is to say, delivering of goods in a form as would not glut the regular international goods market. It was this resistance which brought about the failure of this method which was characterized by Rathenau by the words: "Throwing our reparations payments into a hole".

The bankruptcy of the whole reparations experiment is set forth in the most striking manner by the well-known speech of Mc Kenna in America who came to the conclusion that, under capitalistic conditions, a transference of values running into milliards, without anything being delivered in return, is only possible when foreign capital investments of one country can be transferred to another. Any other attempt, he says, must bring about the ruin of the debtor country as well as of the recipient country. Gradually, the opinion became crystallized that the reparations problem could be regulated only in connection with the mutual cancellation of the inter-allied debts along with an international loan which would secure for Germany a breathing

space, and that in order to avoid a further disintegration of the capitalist world economy, Germany, for the first time, could only be required to deliver over her credit balances in foreign countries, which Mc Kenna estimated to amount to about one milliard dollars.

This possible international regulation failed, however, owing to the fact that the antagonisms between the bourgeoisie of the imperialist countries are too acute to render any international regulation possible. On the one hand, the United States insisted upon the European debtors paying their debts including interest<sup>1</sup>). This demand was the first great hindrance to an international regulation. The famous Balfour Note, in which England laid down the program that she must obtain from her allies and Germany together, at least that sum which she herself will pay to the United States, prevented the cancellation of the inter-allied debts also on a European scale.

Thereupon Poincaré on the 21st August 1922, rightly replied:

"The English Note of the 1st of August has prevented the discussion of the problem of international debts in London, has encouraged the resistance of Germany against the measures of control imposed upon her, and up to now rendered impossible the attempt at realizing the reparations debts by means of loans".

And in his letter dated September 1, replying to the Balfour Note, he wrote:

"There can be no talk of France considering any regulations of the debts contracted during the war, so long as the expenses she has incurred and has still to incur in reconstructing her devastated areas, are not covered directly by Germany or by means of a combination".

The refusal of France to consent to a discussion of the reduction of the German reparations debts, also rendered abortive the Morgan Bankers Conference. This latter, as is known, declared that Germany could not obtain an international credit, because "circles providing money do not see any guarantee that the obligations of Germany, as determined at present, and such as she can be forced to fulfil, lie within the limits of her capacity".

Thus the mutual rivalry of the United States, of England and of France prevented the international regulation of the Reparations problem. The relations between England and France became continually more and more aggravated and finally led to the rupture at the Paris Conference at the end of 1922, which was immediately followed by the occupation of the Ruhr.

#### The Occupation of the Ruhr and the Antagonism between England and France.

England's policy regarding the reparations problem — unless we presume that it was simply absurd — was inspired with the idea of weakening France, her most dangerous rival for the moment, by aggravating the conflict between that country and Germany, by bringing about the occupation of the Ruhr and by prolonging the same as long as possible. If one looks over the history of the year 1923, so one sees that England openly wished France success in the occupation of the Ruhr, after France had resolved upon and commenced the same, but supported Germany

<sup>1</sup>) The American demand for payment of the inter-allied debts has, up to now, only been complied with by England by the renowned funding agreement. But the Americans have, up to now, not given up their standpoint with regard to the other European debtors. Coolidge, in his message to the new Congress on the 6th December, stated:

The debts and the interests due from the foreign Governments, excluding the British, amounted to about 7.2 milliards dollars, and while not in favour of the cancellation of these debts, he saw no reason why they should not be regulated in a similar way, as was the case with the British debt. America did not wish to pay the role of a pressing creditor, but she would maintain the principle that financial engagements between nations are at the same time moral engagements, which must be faithfully fulfilled... For this reason, America has direct interest regarding the economic reconstruction of Europe. It augmented by the desire for a stability of civilization and of human welfare. Nobody could deny that America was undergoing sacrifices for this. Her interest, payment of which had been postponed, alone amounted to a million dollars daily.

The interest for humanity and civilization can, however, not move the American gentlemen to cancel their demands.

by secret promises, by coal credits and by periodically repeated attacks against France. The interests of England regarding this question are of a decidedly two-fold nature. On the one hand, she is perfectly right in regarding France — who for the moment is decisively stronger militarily — as her rival for political power; on the other hand, she must consider Germany who, as a result of the depreciation of the Mark, has got rid of her interior debts and who, by the reparations engagements, is compelled and will be compelled for a long time to throw her industrial products in large masses on the world market, her most dangerous industrial rival. This fact is clearly emerging from the various speeches of leading English Statesmen. On 25th November, Baldwin<sup>2)</sup> declared that, when Germany begins again to produce in large masses for export, it would take place under conditions which would render it very difficult for England, to withstand her competition. As a result of the depreciation of the currency which took place in Germany, German industry is to a large extent freed from mortgage debts and other obligations. Its costs of production, as a consequence of this fact, will sink to such a level that England would only be in a position to compete against this by means of the most strenuous efforts.

The historical import of the Ruhr struggle for England was, therefore, the mutual weakening of France and Germany with the idea of finally playing the role of arbitrator. We therefore see that at the moment when the German resistance had begun to weaken, England tried to revive this resistance by a diplomatic attack against France. We call to mind especially the Note of Curzon and the statement that the occupation of the Ruhr juridically contradicts the Versailles Treaty.

England has partly achieved her aim. Both, France and Germany were economically weakened to a great extent by the occupation of the Ruhr, but in the final result, England is menaced by a still greater danger; an economic collaboration of the French, German and Belgian bourgeoisie, the combination of the whole Western European heavy industry in a community of interests which would be a very serious economic danger to English heavy industry. Moreover, such a solution would enable France, if necessary, to mobilize all the economic forces of the Ruhr area for a war against England. Therefore, in the last months of 1923, we saw efforts on the part of England to prevent an agreement between Germany and France. To this end, she has called for the help of her Anglo-Saxon sister nation, the United States, in order, by means of financial aid to Germany, by an international regulation of the reparations problem and of the inter-allied debts, to prevent France from finally consolidating her hegemony on the European continent as regards political power. Failing international intervention, the separation of the Rhine and Ruhr area from Germany will become an accomplished fact. This would augment France's power to an extraordinary extent and would exclude Germany from becoming a counter-weight in Europe. It is true, such a solution — as we stated in our introduction — would lead to a permanent economic disintegration of Germany as well as of France. But England rightly fears the danger that France would seek a way out of this crisis by a war against England, which would prove fatal to England under the given relations of power.

### The Results of the Ruhr Occupation for France.

We can briefly sum up the results of the Ruhr occupation for France as follows.

As regards political power, she has obtained a complete victory. French heavy industry has reached her aim in so far as the supply of coal and coke from the Ruhr area is assured. Financially, the Ruhr occupation by no means implies victory for France. She will not in any event be able to extort from it the revenue which she needs for her reparation expenses. The heavy fall of the French Franc in the last months of 1923 clearly shows that the bourgeoisie does not regard the success of the Ruhr occupation as a financial victory.

As regards the success of the heavy industry, this is not by any means so decisive, as one could believe. French heavy industry absolutely requires the importation of coal and coke from the Ruhr area, but, on the other hand, it is equally interested that the products of the iron industry of the Ruhr area do not come on the French market unhindered. By the acquisition of the Lorraine iron industry, a production on French territory is secured which not only covers the requirements

of the French market, but also involves the necessity of exporting every year some hundred thousands of tons of iron goods. A solution of the Ruhr question by means of simply bringing the Ruhr district within the French economic and customs area, would involve the ruin of the French iron industry working under less favorable geographical conditions. The natural market for the Ruhr iron industry is and remains unoccupied Germany. French heavy industry must therefore insist upon such a solution of the Ruhr problem as secures to it the cheap purchase of coal and coke on the one hand, and on the other hand, prevents the intrusion of the products of the iron industry of the Ruhr area into France, and leaves open a way into unoccupied Germany for these products. This is a problem which can only be solved with great difficulties.

As regards the financial side of the Ruhr success, France actually has in her hands the "productive pledges" demanded by Poincaré for two years. There only remains the question, what is their financial value! We shall try to calculate this approximately.

As is known, the Ruhr resistance was ended by the so-called Micum Treaties. These treaties were concluded between the French Engineers Commission and the various large concerns of the Ruhr area. The German State, as such, was excluded from the conclusion of these treaties. Its place was taken by the industrial magnates, it is true with the reservation that for those burdens which the German industrials have taken upon themselves, they are to be recompensed sooner or later by the German Republic<sup>3)</sup>.

### The Micum Treaty.

The Micum Treaty is a mantle treaty which assumes its concrete import by agreements with the various enterprises and undertakings. The most essential points of this treaty are the following:

1. The Treaty is valid up to the 15th April 1924, unless a general regulation is arrived at in the meantime.
2. The various works have to furnish definite amounts to make up for the unpaid coal taxes of the year 1922.
3. For every ton of produced coal they must pay a coal tax of ten paper francs.
4. They have to furnish the same quantities of reparations coal as would correspond to the relation of 1921.
5. The iron works, dye works and other enterprises, have in the same way to deliver a certain percentage of their products as reparation payments.

Independent of the Micum Treaty, France, by means of forcibly taking possession of the railway lines and of other means of communication in the occupied area, has secured for herself the receipts from traffic.

How much does the Micum Treaty and the Regie railway bring in to France?

It is very difficult to give an answer to this with any kind of foundation. Assuming that the economic life in these areas was in full swing and that the antagonism between Germany and France overcome — this would be surely a very considerable sum! This area is the richest part of Germany. Here in 1922 there were produced about 90 million tons of coal: 10 francs per ton = 900 million francs reparation coal, and about 16—18 million tons of coke = about 1500—2000 millions francs.

The production of iron amounted to about 8 million tons. The large chemical and textile works also yield that tribute. The amounts actually coming in, however, are far less, since the production — as we shall show later on, — is very small.

The meagre German reports tend to show that the burdens which the Micum Treaty imposes upon the capitalists, are

<sup>3)</sup> In an interview with the "Journal des Débats", Stinnes declared: "The treaties concluded between the Ruhr industrials and the Micum are but a commencement. Their first effect is to impose on the industry in the Ruhr area a burden which falls back upon the Reich and in which the whole of Germany must take its share. We, of course, are not in a position to pay the reparations owing in the place of Germany. We have only declared ourselves ready to make an attempt for a limited time... We have, by the fact of the conclusion of the Micum Treaties, come forward as private persons in the place of another debtor, i. e. of the German Reich."

<sup>2)</sup> "Le Temps" of 26th November 1923.

unbearably high. This is necessary in order to give a pretext for increasing the hours of labour and reducing wages<sup>4</sup>).

To these German statements there are opposed French statements which indicate the income from the Ruhr area as being far smaller. Thus, for instance, "Le Temps" of the 31st December writes that in the period from the 1st to the 20th December, there had been derived from the Ruhr occupation 150 million francs and 11 million gold marks; it must be assumed that, for political reasons, the income derived from the occupation of the Ruhr has by no means been under-stated on the French side.

The difference between the large amount indicated by the German and the real income is due to the fact that the German figures represent the possible burdens which would be imposed in the event of full production. Now, there can be no talk of a full resumption of production in the Ruhr area. The statements of the French papers of the most varied Party tendencies all agree that the production is only a fraction of the normal. The production of coal and coke, in the week from the 17th to the 23rd December is estimated for coal to be 71 per cent and for coke 34 per cent of the pre-war time. The iron production, at the end of December, was still at a minimum ("Journée Industrielle" of the 21st December 1923). At the beginning of January, 13 out of 76 furnaces, and 21 out of 186 Martin Stoves were in use. ("Journal des Débats" of the 28th December.)

As regards the possible incomes from the Regie, the "Journal des Débats" of the 29th December states that formerly 20 trains were running daily, at present there are only two." Under these conditions it is doubtful whether the Ruhr occupation, notwithstanding the Micum Treaties, even reimburses the costs of the occupation.

The cause of this low state of the Ruhr production seems partly to be found on the French and partly on the German side. The French have no interest in seeing that the iron industry of the Ruhr develops. In this respect the financial interest of the French State is the most sharply opposed to the interests of French heavy industry. The whole discussions of the organ of the French heavy industry, "L'Usine", are permeated with the fear of a possible fresh rise of competition from the Ruhr industry. In its number of the 29th December, for instance, it pointed out, that the present French iron production amounts to only 52% of the possible capacity, that the exploitation of the full capacity will render necessary a big export on the world market, that the export has up to now been facilitated by the sinking tendency of the franc and by the lack of the competition of the Ruhr area, but that the competition of Germany will cause great difficulties, both to the inner market and to exports on the part of France. French heavy industry therefore does everything possible in order to sabotage the production in the Ruhr district.

<sup>4</sup>) "According to the calculation of the cost of production made by one of the largest works, the burdens on a ton of coal, without including the cost of the transport of the reparation coal from the works to the frontier, would amount to 5 Gold mark." (Dr. Kurt Lachmann, reporter of the "Frankfurter Zeitung": "The Fate of the Ruhr Area", p. 40). According to this calculation, the coal only would bring to the French 450 million gold marks annually. The calculation is certainly exaggerated.

The well-known Rhenish big industrial Peter Klöckner stated in the Prussian Staatsrat (State Council) according to the "Vorwärts" of the 26th January 1924:

"The Micum Treaties imposed a burden upon Western German industry amounting to 80 million gold marks per month, the coal mines alone being burdened with 55 to 60 gold millions. The owners had adjusted iron prices to the pre-war prices, and coal prices to the English prices. The wages of the Rhine and Ruhr areas are not lower than those of the rest of Germany. The owner, in view of the present prices coupled with the agreements regarding wages and hours of labour, loses 20—30 marks on every ton of iron."

Financial Minister Luther in his speech at Hamburg stated:

"The Micum Treaties mean huge, almost gratuitous deliveries in kind to the Entente. For instance, the nitrogen industry has to supply about 6 millions gold marks a year."

"Many German industrials are of the opinion that the French will permit a production of the local iron and steel industry of not more than 30% of its working capacity. The French can reach this by the planned fixation of the coal price, by the distribution of the coal, by the height of the import duties and of the export tax, by the contingentation of the export which is already contained in the present Treaty of the Micum and with the policy of tariffs." (Kurt Lachmann, "The Fate of the Ruhr Area".)

On the other hand, it seems that the Ruhr industrials also are sabotaging the production. They concluded the Micum Treaty mainly for the purpose of protecting themselves against unforeseen confiscation of their stocks and against the occupation of their works. The Treaty is only valid up till the 15th April, and they hope that by that time a regulation more favourable to them will be arrived at. They therefore have no interest for bringing production up to full speed.

A certain sabotage also appears to exist with regard to the Regie Railway. It is probable that owing to the absence of the ruling German railway officials and to the lack of knowledge of languages of the collaborating German and French railway workers, the service is suffering a good deal, without sabotage. The fact that the railway workers, as a result of the present low state of the franc, are receiving smaller salaries at the Regie railway than in unoccupied Germany certainly does not contribute to an increase of working capacity. In the series of articles published by the "Journal des Débats" there are enumerated a series of details showing that railway transports from the Ruhr area have not arrived at their place of destination in France in the course of six weeks.

The huge fight between Capital and Labour which has taken place in the whole Ruhr area is likewise one of the chief causes of the low state of production. In this connection it is difficult to ascertain whether the capitalists are provoking these struggles in order not to be able to produce, in view of these heavy burdens, or whether French influences are instigating the workers' movement. The fact that the capitalists have not a devoted Governmental power at their disposal, certainly contributes to strengthening the position of the workers opposed to them.

Whether the causes are various, or perhaps still other than those enumerated here, in any event it is stated that the production in the Ruhr area, still four months after the giving up of the passive resistance, was minimal and that the pledges obtained up to then have not been productive pledges permitting France to derive therefrom any reparations revenue worth considering.

The exchange of Notes, which the Entente governments published, clearly shows that the real aim of Poincaré has not been the seizing of productive pledges, but the coercion of Germany.

"What we wanted was before all and first of all: to create in Germany the will to pay, by means of seizing pledges and by means of coercion, it was further: to bring the economic and political organizations of the Reich into a state of need that it had to prefer the realization of the Peace Treaty to this state of need." (Reply of the French Government to the British Note of the 20th July 1923.)

### The Search after a Way Out.

Today it can be stated that the occupation of the Ruhr has not brought about any essential modification of the reparations problem. Germany has been weakened very much. In France, a catastrophe of the currency is threatening. The revenue derived from the pledges is as a drop in a bucket compared with the reparation demands of France.

The fundamental facts which we must call to mind when considering the possibilities of a solution are the following:

The decision regarding a moratorium for the German payments is in the hands of the Reparations Commission. After the withdrawal of the United States, the Commission consists of the representatives of France and Belgium on the one hand, of England and Italy on the other. Since the French President, in the event of equal votes, has the casting vote, the Reparations Commission is in reality an instrument of France.

For a reduction of the reparations debt a unanimous decision of all Entente Governments is required. Each single Government

<sup>5</sup>) Exchange of Notes between the Allies, following the German Note of the 2nd May and 7th June. Berlin 1923, p. 106.



has a right of veto against this. France, therefore, even in the event of England succeeding in drawing Belgium on to her side, has the possibility of preventing a reduction of the reparations debts.

The standpoint of the Entente countries in this respect emerges rather clearly from the exchange of Notes mentioned above. France demands 26 milliard, gold marks and the cancellation of all inter-allied debts, alleging that she has to employ this sum in fact for the purpose of her reconstruction, and if a reduction of the German payments has to take place, this ought to be done at the expense of the non-immediate war damages, i. e. at the expense of the claims for pensions which constitute the overwhelming portion of the demands of England. Belgium demands 5 milliards and the cancellation of all debts; Italy 7 milliards and likewise the cancellation of the debts. As the Belgian Note of the 30th July states, it now depends upon England as to how high the reparations debts of German are to be. If England and the United States were to cancel all their demands, then Germany would have to pay 38 milliards gold marks. Thereupon England answered with the famous Curzon Note of the 11th August, according to which England demanded from the Allies and from Germany together, not more than the 14,2 milliard gold marks, which she in her turn has to pay to the United States. If one accepts this sum, the result is 52,2 milliards gold marks<sup>6)</sup>, that is the old sum of the obligations series A and B, and it is still uncertain whether the payments effected hitherto by Germany are to be deducted from this sum or not<sup>7)</sup>.

If the United States and England insist upon their demands regarding France, Belgium and Italy, the latter States demand that Germany pay correspondingly more.

### How can Germany pay?

For the time being the experts of the Reparations Commission dealt mainly with the question: In what way Germany can pay reparations at all? The experiences of the past years have caused it to be realized that the pre-requisite for the payment of reparations at all is the permanent stabilization of the German mark, and that on the other hand, the form of payment which causes the least damage to the world economy is the transference of foreign credit balances in the hands of German capitalists to the Entente. As a result of the recognition of this fact, there took place the appointment of the two international Experts Commissions on the part of the Reparations Commission, whose task it is to examine the pre-conditions for balancing the German State budget as a pre-condition for the stabilization of the mark and to ascertain the amount of German capital existing abroad and as to seizing the same. The negotiations of these Expert Commissions are being held in secret. There is no object in attempting the composition of a picture of the negotiations out of the vague newspapers reports and private rumours. For the time being only the one fact can be stated: that the Experts Commission has pronounced itself in favour of the creation of a Gold Note Bank in Germany which has to attract foreign capital. It must, however, be emphasized that this Experts Commission, just as the Brussels Commission and the Morgan Commission in their time, has no right to decide. It must submit its conclusions to the Reparations Commission and, since France has the preponderance in the latter, essentially to Poincaré. The great hopes which, in Germany, are placed on the work of the Experts Commission are therefore for the time being groundless. Only if the United States resolved to nominate a representative with consultative vote on to the Reparations Commission could one attribute any real import to the decisions of the Experts Commission. Unless this is done, it cannot be foreseen how, with the given relations of forces in Europe, the hegemonic position of France in the decision of the Reparations Problem could be in any way broken, unless the depreciation of the franc assumed such catastrophic proportions that France required the financial aid of the Anglo-Saxon powers and, as one of the com-

pensations for this, assumed an attitude in the reparations problem consistent with the interest of these powers.

### The Rechberg Scheme.

In the period to which this report refers, the German and French press discussed at length the action of the German capitalist Rechberg regarding a French-German understanding in the reparations problem. Rechberg was received at Paris by Poincaré and Millerand, and his scheme was backed in the Chamber by the French deputy Reynaud as a possible basis of an understanding.

The essence of this scheme consists in that all industrial enterprises of Germany, from which the French Government demands it, shall issue new shares amounting to 30% of the existing share capital. These shares are to be delivered to the French Government for the amortisation of the Reparations Debts. The French Government sells the shares it receives to French industrials, with a proviso, however, that for a term of 30 years the shares are not to be sold out of France. This would result in France acquiring an interest in large portions of the German industry right up 23%. This would be a guarantee that France would not conduct a policy injurious to German economy.

This proposal was received by the French public and the press in a very favourable manner. The iron industry formed the only exception. "L'Usine" wrote that such a combination of the German and French industry would, of course, involve customs facilities for the products of German industry. French industry would thereby be exposed to the competition facilitated by the depreciation of the valuta and low wages. In Germany, on the other hand, the Rechberg Scheme was generally received with disfavour. A public reception of Rechberg was refused.

The cause of his being rebuffed was, in our opinion, mainly connected with circumstances of foreign policy. The acceptance of the Rechberg Scheme would imply the creation of an industrial Continental block directed against England, i. e. a solution strongly opposed to the interests of England and thereby constituting an aggravation of the Reparations Problem. The realization of the Rechberg Scheme is incompatible with the cancellation of the inter-allied debts, which, in turn, is a pre-condition for a solution of the reparations problem tolerable for Germany.

### The "Belgian Studies" on Germany's Paying Capacity.

Many symptoms go to show that the Conference of Experts has taken as a basis for judging Germany's paying capacity, the so-called "Belgian Studies". These Belgian Studies constitute three supplements to the Note of the Belgian Minister for Foreign Affairs addressed to the Belgian Ambassador in London dated 9th June 1923. The essential contents of these studies are as follows<sup>8)</sup>.

After a certain period for rendering sound the valuta and the Reich budget, permanent payments from the following sources can be expected from Germany:

1. Leasing the service of the German railways.
2. Leasing the Consumption Monopolies.
3. Coal deliveries.

As regards 1. The German railways in the year 1914 yielded a profit of 609 millions marks. The reduction of the length of the railway system is compensated by its improvement. Taking into account the present depreciation of gold, there results that, on the basis of a normal service, there can still be expected from the German railways a yearly profit of one milliard gold marks. This corresponds to the fact that German capitalists intended to take a lease of the German railway system for a yearly payment of one milliard goldmarks. The fact that in 1922 there existed a deficit, is due to the fact that the tariffs, as a result of the depreciation of the currency, were much too low and that, in place of the 650,000 railwaymen of the pre-war time, there were nearly a million employees. The leasing of the railway system can therefore yield yearly one milliard gold marks for reparations.

As regards 2. The Studies examine in turn all existing monopolies in Germany and prove that the yield per unit of the goods is much too low. They come to the following conclusions:

<sup>6)</sup> See "Supplementary explanations to the proposal regarding the solution of the Reparations problem in the Belgian Note of 30th July 1923. "Exchange of Notes...", p. 207.

<sup>7)</sup> In the "Nation" of 27th November, Keynes estimates the sum of the payments effected hitherto by Germany, of the costs of the occupation and of the difference between the German and the world market prices with the deliveries effected up to that date, to be 735 millions pounds sterling, i. e. about 15 milliard gold marks.

<sup>8)</sup> "Exchange of Notes..." p. 37-56.

	Return on the the present tax	Belgian proposal	Anticipated yearly revenue
	(in gold marks)		
Tobacco per kg . . . . .	0,74	4,5	450 mill.
Beer in hectoliters . . . . .	0,71	6	200 "
Wine in hectoliters . . . . .	—	—	50 "
Sect in hectoliters . . . . .	—	—	5 "
Alcohol in hectoliters . . . . .	130	500	600 "
Sugar per 100 kg . . . . .	0,01	60	130 "
Salt per 100 kg . . . . .	—	12	70 "
Matches per box . . . . .	—	0,01	20 "
Lighting materials . . . . .	—	—	5 "
Coal <sup>9)</sup> . . . . .	—	—	— "

The Note emphasizes the possibility of converting other goods, especially coffee, tea, chocolate and cocoa into sale monopolies, eventually also petroleum, several spirituous oils, benzol and so on.

As regards 3. There is provided a yearly delivery of 20 million tons at about 17 gold marks per ton, with a revenue of 140 millions gold marks annually.

The three sources provided yield a total yearly revenue of 2,870 million gold marks.

In a second supplement, there is provided a delivery of 25% of the net profit of the German enterprises in the form of issues of share certificates. The net revenue of the German industrial enterprises is estimated at one milliard gold marks, the share of 25% at 250 millions.

As a fourth source of revenues the German customs are indicated.

In the third supplement it is proved that the German state budget can still be balanced after deducting these amounts. The calculation is based on the revenues of the quarter April-June 1922, in which the revenues of the State budget covered the expenses. It is calculated that customs and consumers' taxes on alcohol, beer, tobacco, and sugar, and further the 25% of the net profit of the German enterprises in this period provided 13,3 per cent of the total revenues of the quarter. If the profits of the quarter had been extended throughout the whole year on the same scale, the state budget, after the deduction of these amounts for reparations payments, would have still shown a profit of about one milliard gold marks. After the deduction of a further 340 million gold marks for coal deliveries there would still have remained a profit of 660 million gold marks without, of course, taking into account the subsidies for the State Undertakings. This proves that with this stabilization of the mark, the sum of 2870 million gold marks mentioned above would be free for reparations payments.

We have dealt with these Belgian studies at length, because, according to good information, they constitute one of the most important bases for the work of the Experts Commissions. It is known that the German Government has, as a matter of principle, accepted these studies as a basis for the discussion; it only opposes the leasing of the monopolies, alleging that the costs of collection with a uniform administration of all monopolies were far smaller than in the case where they were let out on numerous leases.

The most striking feature of these studies is their out and out anti-social character. The whole burden of the reparations is mainly to be laid upon the monopolies, that is on the back of the working classes. The conception as a whole is, moreover, an erroneous one, for it presumes that the German working classes, with their income reduced to 60% of their pre-war standard, could pay taxes on articles of consumption to the same amount as in pre-war time. This is obviously impossible, and the attempt to introduce consumption taxes and monopoly prices to the provided amount, would cause an extraordinarily large falling off in the quantities consumed and thereby in the expected return on the monopolies. In any case these Studies and the readiness of the German Government to negotiate on this basis, show the way which the international, German and Franco-Belgian bourgeoisie is seeking for the solution of the reparations problem: transference of the burdens on to the German consumers.

Of course, such a solution would bring forward the international economic question: in what form are the two milliard odd gold marks extorted from the German people for reparations payments to be delivered annually to the Entente? Since Germany

<sup>9)</sup> A coal monopoly, in view of the uncertainty of the prices, is not provided for.

cannot pay in gold, she can pay either in German means of payment or in goods. Payment in German means of payment would involve the depreciation of the latter. Payment in German goods is hampered by the limited absorbing capacity of the world market, as well as by the protectionist measures of the various capitalist countries. This problem is by no means altered with the realization of the measures which are here provided.

## UNION OF SOVIET REPUBLICS.

### The Soviet Union Budget Estimates for 1923—24.

By L. F. BOROSS.

The estimates of the Soviet Union for the current economic year could not, as had been planned, be submitted in final form to the II. Soviet Congress of the Union which ended a short time ago. The necessity of solving complicated questions, of which not the least was that of the relation of the budgets of the individual republics to the total budget of the Union, led to a certain delay in the work, and this will have to be dealt with by a special commission which has been appointed by the Soviet Congress. The main outlines of the budget are, however, already fixed, and the published figures are regarded as an important symptom of the financial recovery of the Soviet republics, not only by the Soviet press, but also by the press of our opponents. (Only the "Vorwärts" of Berlin, as usual, took upon itself to disparage and belittle the results by means of a twisted publication of the official statements.)

In its very outward form the new budget represents an advance over the previous ones. Whilst individual items of last year's estimates were entered in the complicated Goods Rouble reckoning, the new estimates are brought together on the basis of a stable currency, that is the Tchervonetz. The grand total amounts to 1769 million gold roubles, against 1346 gold roubles, or about 25% more than last year.

Fundamental progress in comparison to last year is visible in two respects, namely, financial-political and class-political. As regards the financial-political respect, both the absolute as well as the relative raising of the normal state income is to be emphasized. The income derived from taxes shows an increase from 378 to 498, the income from the productive state industries from 48 to 141, that from transport from 376 to 598 and posts and telegraphs from 25 to 39 million gold roubles. On the other hand, the making use of extraordinary sources for the covering of the deficit is, both in its totality as well as in its composition, much more favourable than last year. The credit operations are about double those of the year 1922—23, that is 253 instead of 129 million; on the other hand, the sum that is to be covered by emission of notes is only 180 million, which is 10% of the total budget as compared with 30% of the total budget last year.

From the class-political point of view, the progress of this year's budget over that of last year consists chiefly in the composition of the revenue from taxation. Although the Soviet Government is endeavouring in every way, in the interest of financial restoration, to achieve a budget without a deficit, it did not fail to use the first opportunity of lightening the load of the proletarian and small peasant classes and the poor classes in general. The consumer's tax upon articles of general use, and before all on salt, sugar, and petroleum, were considerably reduced this year in spite of the financial difficulties which still exist.

The progressive restoration of industry and transport also find expression in the budget. For the first time since the revolution, industry appears as an asset with about 25 million gold roubles on the credit side. The subsidizing of industry has been considerably decreased.

The state support of coal mining is 16 instead of 32, that of the metal industry 25 instead of 39,5, while the transport deficit is between 30 and 40 instead of 140 (all in millions of gold roubles). The naphta production, which last year required a subsidy of 25 million gold roubles, will this year cover its own expenses. Important progress has been made in the forestry department, where the profits have increased from 15 million to 45 million gold roubles, which is already half of the pre-war surplus.

We give below a condensed statement of the chief items of the estimates. The figures in brackets are the corresponding figure for last year.

Income	
	In millions of gold roubles
Taxes . . . . .	498 (378)
State Industries (with exception of posts and transport) . . . . .	141 (48)
Transport . . . . .	598 (376)
Posts and Telegraph . . . . .	39 (25)
Credit Operations . . . . .	253 (129)
Note Emission . . . . .	180 (390)
	1709 (1346)

Expenditure		Percent of total budget	
Transport, Post, and Telegraph . . . . .	670 (542)	39	(38.49)
Army . . . . .	313 (226)	18.3	(16.05)*
People's Commissariats . . . . .	420 (371)	24.5	(26.35)
Industry . . . . .	69 (116)	4.0	(8.24)
Agriculture . . . . .	47 (66)	2.7	(4.69)
Electrification . . . . .	39 (24)	2.3	(1.70)
Co-operatives . . . . .	20 (9)	1.1	(0.64)
Treasury Operations (amortisation of loans, etc.) . . . . .	130 (54)	7.9	(3.84)

The hope exists that the next budget (1924—1925) will be drawn up under conditions of restored state finances. Two important improvements over this year's budget are expected. The financial officials of the Soviet Union firmly hope that first of all the item of note emission will be completely absent in the next year's budget, and secondly, that as result of the financial reforms that will be put through this year (stabilizing of the currency, complete discontinuance of the bank note press and the falling Soviet notes, etc.), the next year's budget will not be merely an estimate but a sound budget for the year's operations.

## GERMANY

### The Factory Council Elections in Germany and the Amsterdammers.

By W. L a d a.

For many years the Amsterdammers have combatted the Factory Councils with the greatest zeal, because they hated them as a product of the revolution and feared them as an instrument of the revolution. They only took up with the Factory Councils at the moment when, thanks to the ebbing of the wave of revolution, they believed that they would be able to make of them a tool of their reformist policy. At the Factory Councils Congress in 1920, and especially at the last Trade Union Congress in Leipzig in 1922, they gave the trade unions appropriate directions to this end. The decisions taken at Leipzig are still in force and in their manifesto of February 1st („Gewerkschaftszeitung“ Nr. 5 of February 2nd) the leaders of the trade unions call attention to these decisions as being binding for the nomination of candidates for the elections to the Factory Councils. The Leipzig decision was accepted as the result of a lecture by Nörpel against the votes of the Communists and the Independents (at that time the Independent Social Democratic Party USPD. was a „large party“). One can judge the political level of this speech of Nörpel's from the fact that he was capable of the statement that there was no sabotage of the Factory Councils worth speaking of on the part of the employers. The low intellectual level of this speech was too much even for the Independent Social Democratic „Leipziger Volkszeitung“ which wrote in its issue of June 23rd 1922:

„The Federal Executive had the duty, in its selection of speakers, to see to it that they had the necessary amount of knowledge at their disposal, so that there would be no danger of the congress being mistaken for an informal meeting of a local branch of the Social Democratic Party around the village pump. In the case of Nörpel, the Federal Executive took this duty very lightly. Too much honour has been rendered this report of Nörpel, for it was beneath all criticism.“

Since then the „Leipziger Volkszeitung“ has swung round. It now attacks the Communists and the trade union opposition every day with the same animosity as is displayed by Nörpel, Grassmann and Leipart. However, the judgement expressed in

\*) The increase in the army expenditure is chiefly accounted for by increases in pay.

the year 1922 by the „Leipziger Volkszeitung“ over Nörpel and other theoreticians of the Factory Councils Movement who belong to the Allgemeiner Deutscher Gewerkschaftsbund is as valid today as ever. Besides, Klemens Nörpel, this successor of the notorious Dr. Striemer, has characterised himself best of all. In „Arbeit und Wirtschaft“, the Austrian organ of his fellow believers, of December 1st 1923, he sought to justify his attitude in the factory councils movement against the criticism of the Austrians and wrote as follows.

„Some day history will give an objective decision as to whether the attitude of the German trade unions was right, and may be I shall be justified by that decision, for I do not consider myself so important that history will want to concern itself with me also. I can only give the assurance that I am heart and soul on the side of the workers and that I cannot help it when the situation forces me into a doubtful position. It most certainly never was my intention to sacrifice the interests of the workers.“

No Communist would be capable of pronouncing such a crushing verdict upon the theory and practice of the factory council movement and of the leaders of the free trade unions as the theoretician and leader of the Factory Councils Central of the Free Trade Unions has himself done by the words: „Forces me into a doubtful situation“, that means on the side of the employers against the working class, not by the situation but by their own tactics.

Now let us go back to the decisions of the Leipzig Trade Union Congress. The resolution of Nörpel states clearly that the autocratic rule of the employer in the factory has been broken down in principle by the existing Factory Council Act, the Balance Sheet Act and the Board of Directors Act. The factory shop councils, with their lawful tasks are, or must be, nothing else than organs of the trade unions. For the realisation of their tasks, the factory councils must work „with iron energy“ for education in all questions of labour law and management of business. The fact that within the limits laid down, the shop councils must sink to the level of nothing more than helpers of the employing class, to guardians of law and order in the capitalist concerns, has been pointed out by even the Austrian reformists (Ellenbogen in the „Internationale Gewerkschaftsbewegung“). For this reason the Communist fraction at the Leipzig congress had already placed their own resolution against this proposition, declaring that the chief task of the factory councils must consist, not only in representing the proletariat in the daily struggle against the employing class, but also in acting as the pioneers and pathfinders in the struggle for the overcoming of Capitalism and the bringing about of a socialist economic system. This chief task of the factory councils is not done away with by the legal basis of the institution of factory councils. For the fulfillment of the tasks of the factory councils, both in the present and in the future, it is necessary, not only that the factory councillors shall be educated in questions of organization, administration and finance, but that they shall be mentally equipped for their revolutionary tasks.

However, the Amsterdammers wish to carry through this conception with all the organizational means of power in the factory councils elections which are now in progress. Besides the resolution of Nörpel, the Leipzig Trade Union Congress also adopted a resolution which recommends that in the nominating of candidates for the factory councils, special attention be given to intellectual ambition, to trade union efficiency and long experience, and that the adoption of a political party standpoint be avoided. It also lays down a number of rules which have the actual aim of making it impossible for the trade union opposition and the Communists to set up revolutionary candidates against the reformists.

The course of events since June 1922 has sharpened the differences in the factory council question still more. The Communists obeyed the law of stern necessity and, true to the decisions of the Communist and Red Trade Union Internationals, desired to make the factory councils an organ of the class struggle in the workshops, that is in the mass of the working class itself.

In the worst period of the falling away from the trade unions, when the German Communists have gathered a strong trade union opposition around them on the platform of the Weimar program, they clearly announce that they are prepared to place the centre of organization in the workshops, to mobilize the factory councils as the primary organs of the struggle and as the basic pillars of the trade unions for the whole of the trade union work and, among other things, to hand over to them

a large number of trade union functions. In the same way the last plenary sitting of the Executive of the Comintern, in dealing with the trade union question, pointed out that the chief task of the Communists consists in the concentration of all their forces upon the work in the factories, and that to the factory councils falls the most important task of linking up the unorganized workers with the organized in the elementary struggles which are becoming more and more numerous. But it is certain that the factory councils cannot fulfil their task if they are unconditionally reduced to subordinate organs of the reformist trade union bureaucrats. But this is the "gentle" aim of the German Amsterdamers in the approaching election campaign for the factory councils, and in so doing the Amsterdamers have no other purpose than to place their whole anti-worker trade union policy upon a sure basis. On the international field this object is covered up with hypocritical phrases, that it is intended to answer the international offensive of the employing class against the eight hour day with a counter-offensive in favour of the right of equal decision on the part of the workers in the workshops.

The Amsterdamers state correctly that the German employers at the present moment are endeavouring to set the trade unions and the factory councils against each other and to convert them into a point of support which will assist them in serving their own class interests more easily and thoroughly than was the case with the reformist trade unions. Instead of entering into wages agreements with the trade union bureaucracy, the employers would like very much to conclude such agreements everywhere with the shop stewards, where the latter are more amenable to their will, than with the trade unions. The „Gewerkschaftszeitung“ showed correctly that this effort of the employing class must fail, if only the factory councils and the staffs are not deceived by the sly tactics of the employers. But that will naturally only be the case if the factory councils are not blind servants of the treacherous, reformist trade union bureaucracy, but class conscious organs of the interests of the working class. However, since the offensive of the employing class, after the break-down of the Ruhr struggle, entered on its sharpest phase, the reformist trade union bureaucracy has proven hundred of times that it is prepared to sacrifice all the rights and interests of the workers "for the time being", merely to maintain its position with the employing class as "co-equal contracting party in the question of wages". If they are endeavouring by every possible means in the approaching elections of factory councils to reduce the factory councils to their own servile organs, these efforts are only meant to serve their high and lofty aims. That was shown very clearly in the recent convention of the Metal Workers Union. The same "tried leaders" who have so often sold and betrayed the workers in Berlin and Rhenish-Westphalia and many other places in the country, wish by all means to prevent the Communist opposition, which fought at the head in the struggle against the offensive of the employers and which still stands at the head of this struggle, from gaining a foothold in the shops and finding a broad basis in the shop councils, and they even go so far as to wish to expel the opposition and to split the Union.

Our Party recognised the significance of the elections for the factory councils in time and proceeded with all its energy with the preparations for raising and strengthening the class consciousness and fighting spirit of the shops. It issued the slogan: "The elections for the factory councils are more important than the elections for the Reichstag". It has prescribed for our Party members and friends a strict line of principle in regard to their attitude in the elections. No election compromise with the Amsterdamers for the souls of the mass of the workers, but struggle, which in the end is in itself a class struggle. If we succeed in getting the majority of the workers on our side in this struggle, the Party will endeavour to maintain the interests and rights of the workers by sending the most courageous and most reliable class champions into the factory councils. In this way, from below upwards, from the workshops to the leaders of the trade unions, the German workers will build up the organs for the defence of their interests and the realisation of their aims. It is only under these conditions that the workers will avoid succumbing in the near future to the offensive of the employers, that they will prevent their being subjugated and plunged into the most extreme misery by capital and be able to open up the way to their final emancipation from the capitalist yoke. For this reason the elections for the factory councils are of great significance, not only for Germany, but for the whole international proletariat.

## APPEALS

### The E. C. C. I. to the Workers and Peasants of all Countries.

#### To the Working People of the Turkish Republic!

On the 22nd January of this year, the Bulgarian Peasants Grudov and Kariatov, who had been arrested as participators in the September insurrection in Bulgaria, succeeded in escaping from the hands of their jailors and crossing over into the Turkish territory. But when already in Turkey, 25 kilometres from the frontier, they were arrested by the Turkish authorities. In vain they pointed out that they, as political refugees, have a right to claim asylum in a foreign country — the Republican authorities of Losengrad explained to them that they do not wish to spoil their "good neighbourly relations" with the Bulgarian Government which, on its part, delivers over the Turkish refugees, and they decided to transport Grudov and Kariatov back to Bulgaria. And in fact, our comrades, notwithstanding their energetic protests, were conducted to the frontier under strict escort and fettered like common criminals, and handed over to the Bulgarian authorities. Now they are again languishing in the prison of Burgas under conditions of an inhuman regime and are daily expecting the same fate which has befallen already thousands of workers and peasants who have been murdered in a brutal and vile manner by the Bulgarian White Guards. In their letter published in the workers' papers, our courageous comrades described, how they have again fallen into the hands of their jailors.

In the Turkish prison of Losengrad, there are also languishing six other Bulgarian peasants, likewise participators in the September Insurrection, namely: Stamatev, Tontshev, Apostolov, Todorov, Atanassov and Mandadshiev. In view of the fact that they had not committed any crime on Turkish territory, their liberation could be expected within a short space of time.

But after the treatment accorded to the comrades Grudov and Kariatov and calling into mind the fact that the Turkish authorities have already in the past autumn delivered over about 10 other refugee insurgents to the Bulgarian Government, there exists the great danger that these political refugees will be also overtaken by the same fate.

The revolting hangmen services which the Turkish Pashas afford to the Bulgarian blood hounds by delivering to their cruel vengeance those victims who had succeeded in escaping from their hands — brands the Angora Republican Government with the inerradicable mark of shame. The Turkish Working people is carrying on an unceasing and violent struggle for its liberty and independence. It will be compelled to undergo many a sacrifice yet before it finally settles account with those who strengthen the supports of reaction, slavery and exploitation in their country. The ruling Pashas, who call themselves "Republicans" and "Revolutionaries", do not shrink from restoring again the times of the bloody Sultans and from entering into treacherous compacts with the murderers of the Bulgarian people

Workers and peasants of all countries! The Executive Committee of the Communist International raises a flaming protest against the delivering of Bulgarian revolutionaries into the hands of their worst hangmen by Turkish ringleaders, and calls upon you to brandmark openly the shameful role of gendarmes and complices of the Sofia Government, to which the rulers of the Turkish people have degenerated.

Workers, peasants and honest revolutionaries of Turkey!

Rise all of you like one man, in order to claim an account from your rulers for their intrigues which cover the whole working Turkish people with shame! Take under your powerful protection the Bulgarian political refugees, those refugees who solely, for having confidence in you, are seeking refuge in your country.

Down with the Sofia blood hounds and their helpers in Turkey!

Long live the emancipatory struggle of the workers and peasants of Bulgaria and Turkey!

Long live the International Solidarity of the suppressed of the whole world!

The Executive Committee of the Communist International.

Moscow, 14th March, 1924.