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THE TRADE UNION MOVEMENT OF SWEDEN

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Some Population Statistics.

The conditions requisite for the growth of a trade union movement in the modern sense of the words were not present in Sweden until a much later date than in Britain and Germany. Up to the very end of the nineteenth century Sweden continued to be essentially an agricultural country, the particular form prevalent being that of the (comparatively) small peasant proprietor. Peasant proprietorship continues even today to be the dominant feature of Swedish agriculture.

This general fact is borne out by official population statistics, which date back to 1751. In that year no less than 79.8% of the population were engaged in agriculture, fishing and forestry: 7.75% only were employed in industry and mining. 1.8% in commerce and communications, and 10.7% in public services and the professions. Naturally there was in these times very little that was of the nature of genuine industry, as we understand it: the term moreover included what we now call "handicraft". Such work was protected in Sweden, as in other countries of Europe, by "guild" legislation, which came in course of time to mean a sheer monopoly of craft work. But this legislation remained in force right down to 1846, when it was abolished in favour of complete industrial freedom.

Down to the establishment of economic Liberalism in Sweden, the chief occupation of the people had continued to be agriculture, fishing and forestry. In 1840, 80.9% of the people were still absorbed in these pursuits: the remainder of the population being employed as follows: 8.5% in industry and mining, 2.2% in commerce and communications, and 8.4% in public services and the professions. The establishment of

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Some Population Statistics.

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The First Strikes.

Strikes had occurred in the Sixties and Seventies, even before the founding of modern trade unions. But as a rule the strikers were unorganised workers endeavouring in this way to safeguard established rights, to raise their wages or to get their hours shortened. Often they were *unskilled* workers who were living lives of great hardship and started a strike on the impulse of the moment. Times were bad in industry in those days, and such unskilled workers' wages were extremely low, and their working hours cruelly long, not less than 13 or 14 hours a day.

The most outstanding strike of the period before the trade unions were able to make their powers felt took place in 1879 at the sawmills of the Sundsvall District of North Sweden. The export trade had declined greatly, and the mill-owners therefore decreed a wage cut, whereupon some six or seven thousand unorganised workers struck, met in a camping ground outside the town of Sundsvall, and declared that they meant to stop there till the employers withdrew their decree. Authorities and employers united in declaring the strike illegal and seditious, and it was resolved to use force to bring the strikers to their senses. Warships and soldiers were sent to the town: the county authorities ordered the arrest of certain strikers who were thought to be leaders, and had them sentenced to long terms of imprisonment. The rest of the strikers were driven by force into the mills and kept there on pain of arrest: "for the first week not a single striker was allowed to leave the mills without a written permit from the employer."

Another notable strike of unorganised workers was that of building workers in Stockholm in 1881. The original starters of the strike were unskilled building workers, who would not submit to the employer's refusal to grant certain increases in wages, but most of the skilled workers, although unorganised, espoused the cause of the rest. The strike lingered on for weeks, and again the authorities threatened to use the arm of the law. Towards the end the strikers found a spokesman

and leader in a certain young doctor, named *Anton Nyström*, who had taken great interest in the labour unions of the time (chiefly engaged in educational work), and had become very popular among the workers of Stockholm. Dr. Nyström could think of nothing better than to urge the workers to go back to work, and to try to come to an agreement with their employers ; having first of all proposed but in vain the formation of "representative unions" to consist of "representatives" of the various crafts, for the purposes of "safeguarding the interests of all, seeing that the standard of living of the workers was adequately maintained, limiting the number of working hours, and preventing unemployment and strikes."

The First Trade Union Programme.

The first advance was not made, however, along the lines of "representative unions", because the workers were becoming more and more convinced of the need for real trade unions. One of the most zealous agitators of the early trade union movement was a journeyman tailor, named *August Palm*, who had spent some years in Germany and Denmark, returning to Sweden in the early eighties to preach the "gospel of Socialism". A meeting held at Stockholm by the wood-workers' unions in the autumn of 1881 was attended by both Nyström and Palm, and a general invitation was issued to all the workers of the town. This meeting was of outstanding importance, because it was there resolved to appoint a committee to draw up a *programme and rules* for trade unions. The Committee accordingly published on March 1st, 1882, the following programme :

"The Union shall work for the regulation of industrial conditions and shall represent the real interests of the trade, and of both employers and workers.

It shall promote an improved standard of living, and advance trade efficiency.

It shall also work for the establishment of healthy work-rooms and the introduction of healthy and practical methods of work : for the establishment of old age and benefit funds ;

for the prevention—if possible, through mediation—of unemployment and strikes ; and for the furtherance of general education and of temperance.”

This first Swedish trade union programme represented Liberalism pure and simple: Dr. Nyström may be regarded as the principal writer of the document. It served as a model when various other unions were founded in Stockholm and elsewhere.

In those days it was the skilled workers who formed the great bulk of the trade unions. There was every reason for this: they had traditions, handed down from guild times, which were not to be found among unskilled workers and ordinary factory hands. In some trades these traditions had been kept alive through the journeymen unions, or through the burial and sickness clubs which had succeeded the guilds. Even if there were no outward bonds, the skilled workers were still under the influence of the strong sense of solidarity which had been so much fostered by the guild system. But the unskilled workers had no traditions to build upon, nor had they, as a rule, the mental elasticity needed for systematic trade union work under the very unfavourable conditions of those days. It was not until the Nineties that the unskilled workers began to follow in earnest the example set them by their skilled, industrial comrades. In the case of the land-workers, there was no sign whatever of any trade union movement before 1900: even now the great bulk of land-workers are still outside it.

This almost complete limitation of trade union membership to skilled workers was not without its influence upon the structure of the Movement. It meant that the narrower interests of the craft were paramount, as was found when the time came to consolidate the movement. It still presents the utmost difficulties to-day, when the never-ceasing advance of industrialism is compelling the workers to think out new means of solving their organisational problems.

By 1883 so many trade unions had been formed in Stockholm that it had been found possible to start a local association known as the “Fackföreningarnas Centralkommitté” (Cen-

tral Trade Union Committee) for the purpose of enlarging the above-mentioned programme. It set to work in the very first year of its existence. The new programme included a demand for a maximum 10-hour day, hygienic workshops and factories, the inspection of factories, etc. The trade unions were also instructed to try and secure "good and just relations between employers and workers", for the prevention of strikes. If disputes did break out, the unions were to try and get them settled by "conciliation bodies".

The programme further included the advancement of temperance, taxation reform, improved elementary education, and universal suffrage for both political and municipal elections. These additions to its original functions meant that the Central Committee had to widen its programme and enter the field of *politics*. It had in fact stated in its Rules that it was desirable that it should cooperate in the creation of a Labour Party. At the moment, the Central Committee, like all the other trade unions, was mainly Liberal in politics although Socialist ideas were beginning to trickle through. In 1885, however, a proposal was laid before the Central Committee for a more radical programme. The motion met with opposition, but it was decided that a change should be made: the programme should be revised, specific social demands should be laid down, and the political programme, should be extended and more clearly defined. This last part of the programme still represented only Liberal reforms, but later on it was used as a basis for the Socialist programme drawn up by the Congress which in 1889 inaugurated the Social Democratic Labour Party.

Political Views.

As time went on, the distinction between Socialist and Liberal political views became more and more marked. Some trade unions showed their lack of sympathy with the growth of Socialism in the Central Committee by going their own way. The Bookbinders' Union, for instance, withdrew from the Central Committee, declaring that it "had nothing in common with Social Democracy or a Democratic association". It went even

further, and issued an appeal to all the trade unions of Sweden, calling upon them to "endeavour to call a halt as soon as possible to the Socialist Movement".

The course of events in Stockholm was reflected in the provinces. But in spite of opposition, the trade unions proceeded to lay the foundations for the Social Democratic Party, and it was not long before the last vestiges of Liberalism had disappeared from the Trade Union Movement. The completeness of this victory is evident from the somewhat singular resolution passed in 1898 by the Congress which inaugurated the National Trade Union Centre of Sweden: it declared that any trade union which wished to join the national centre must affiliate with the Social Democratic Party within 3 years of its admission to the National Trade Union Centre, on pain of forfeiting its membership of the Centre. One of the reasons for this policy was however the attacks made by employers upon the right of association, and the obstinate resistance of the government to the demand for suffrage reform. The resolution caused a fierce outcry in all non-Labour press circles, and met with so much opposition in the trade unions themselves that it was never carried into effect, and only two years later it was cancelled.

Meanwhile, the desire to bind party and trade union together found another form of expression. The Socialist Party was granted the right to nominate two out of the five members of the "Landssekretariatet", or secretariat of the National Trade Union Centre. But this privilege too was withdrawn in 1900. The Rules for the Centre drawn up in that year stipulated that the Executive was to consist of 7 members, who were all to be elected by the Trade Union Congress.

But this failure of the Centre to get compulsory membership of the Party made no change in the intellectual loyalty of the Trade Union Centre to the Party. The Centre urged upon all its unions the duty of affiliation with the Party. The Introduction to the Rules contained the following clause:

"It is also the duty of the National Centre to work for the affiliation of every local trade union branch to the "Arbetare-

kommun" (the local party organisation), and thus to the Social Democratic Labour Party."

But this was the farthest limit. There were not wanting members of the Centre who thought that no such promise should have been embodied in the Rules, and these urged strongly that *trade unions, as such*, ought to observe political neutrality: this in contradistinction to others who thought trade unionists should take an active part in all the activities of the Party. The section which urged political neutrality was not in any way hostile to the Party: but it argued that, if the clause remained, many workers might for political reasons refuse to join the unions, and if the affiliation policy were pursued, these workers might even establish other trade unions of their own to oppose the Social Democratic Party. Their fears were not entirely unfounded. In 1899 the "Svenska Arbetareförbundet" ("Swedish Labour Union") was founded on the model of the Hirsch-Duncker (neutral) unions of Germany. The "Svenska Arbetareförbundet" never attained any great importance, but the employers' preference for it did in many cases embarrass the unions and branches belonging to the national centre. It continued to function down to the year 1909, but it then found itself compelled to take part in the Great Strike of that year, and it thereupon went to pieces. In the same year the clause urging trade unions to work for membership of the Social Democratic Party was erased from the Rules. It was replaced by a clause which is still valid, to the effect that the trade union movement, as represented by the Congress, recognises its close solidarity with Social Democracy. It reads as follows:

"Following upon the resolution passed by the Congress, deleting from the Rules of the National Trade Union Centre the clause formally indicating cooperation with a specific political party, the Congress declares, in the interests of the true interpretation of this resolution, that its deletion does not in any way denote a change in the moral solidarity of the Labour Movement, that solidarity which from the very outset has linked up the Swedish Trade Union Movement with the Social Democratic Party. The Congress regards the Social Democratic Labour Party of Sweden as the natural and com-

petent body to deal with the political aspirations of the Swedish working class."

The last occasion on which the National Trade Union Centre affirmed its solidarity with the Socialist Party was in 1922, when the Trade Union Congress rejected certain proposals which would have prohibited local trade union branches from affiliating with the Social Democratic Party. The Congress then declared that "to weaken the Social Democratic Party would involve great danger of postponing for years the solution of the social-political questions on the agenda", and this might have prejudiced the interests of workers organised in trade unions.

The Rules of the National Centre, then, contain no provisions ascribing any political character to the organisation, or specifying its relations to the Social Democratic Party. But individual unions and their branches are entitled to settle according to their own discretion the question of their membership of the Social Democratic Party. Reliable statistics of Social Democratic membership are not available, but it has been estimated that some two-thirds of the members of the Party are members of unions affiliated with the National Centre. ⁽¹⁾

Over and over again voices have been raised in the individual unions, demanding that local branches shall be prohibited from carrying on political activities in this way. The Communists in particular have argued that collective affiliation to the Social Democratic Party might cause a split in the unions. It has been pointed out, too, that this form of affiliation is really putting pressure on a man's conscience, since persons who have no sympathy for the Social Democratic Party thereby become members of it willy-nilly. But the national unions have almost unanimously declared that any such prohibition would be an unjustifiable interference with the rights of the local branches to self-government. The general feeling was, however, that this charge of compelling men's consciences

⁽¹⁾ At the end of 1925 the membership of the Social Democratic Party was 168,599 : the membership of the national trade union centre at the same date was 384,617.

is sufficiently refuted by pointing to a clause in the Rules of the Social Democratic Party, which establishes "*reservation rights*" for trade unionists who do not wish to become members of the Party through their unions. This "reservation right" was laid down in 1908, the clause in question being as follows :

"Members making a written declaration again membership of the local Party organisation or the Party will have their names removed from the membership statistics of the union branch when these send in their reports. No affiliation fees will be paid for such members to the Local Section or to the Party : but a list of such members shall be sent in to the Local Section."

The great bulk of the trade unionists of Sweden are not affiliated with the Social Democratic Party either individually or through their unions, and yet the Swedish Trade Union Centre is very strongly Socialist. Certainly there are also Communist and Syndicalist groups in the trade unions, but neither group has succeeded in obtaining much influence. This matter will, however, be dealt with again later.

Forms of Organisations.

It was pointed out previously that in the Eighties the trade unions began to consolidate on a local basis : Stockholm set the example and other towns followed suit. Then, when the Social Democratic Party began its work, it too was expected to solve trade union problems. For a short time the district executives of the Party also served as district administrators for the trade unions : they aided the unions in wage movements and conflicts, and did their best to organise financial assistance for strikers and locked-out workers. They also did a good deal of trade union propaganda : but both the congress held by the Liberal labour unions in 1886 (the third general Swedish Labour Congress) and the first Scandinavian Trade Union Congress recommended the *consolidation of the trade union movement in national industrial or craft unions*. In that same year the first two national unions (the Printers' and the

Postal Employees' Unions) were founded. This example was rapidly followed: 1887 saw the founding of the Painters' Union; 1888 that of the Iron and Metal-workers' Union (now the Metal Industry Workers' Union) and of the boot and shoe operatives' union (now the Boot and Shoe and Leather Industry Workers' Union); and 1889 that of the Wood-workers' Union and the Tailors' Union.

1890 was a record year for consolidations: that year also saw the formation of an unskilled workers' union, and of unions catering for various groups of civil servants. Yet more national unions were formed at the beginning of the new century; a statistical enquiry held in 1908 showed that there were now no less than 41 national unions.

Most of the organisations were still only *craft unions*: the boundaries were usually the same as those laid down in the old guild days. But there were exceptions, notably in the metal and wood industries. The iron and metal workers' union tried to bring within its fold all workers who were engaged in iron and metal processes or manufactures; hence it covered a whole series of craft groups, all of which were however inter-allied. It included not only the unions catering for engineering workers, but also others which recruited their members from the building industry, (electricians and plumbers), and it covered goldsmiths, silversmiths as well as ordinary smiths and blacksmiths. Later, however, the moulders and electricians left the union and established organisations of their own.

The wood-workers' union was more successful. Its aim was to cater for all groups of workers engaged in working with wood. The original idea was to bring in only cabinet-makers and building carpenters, but the success of this policy would have meant that all the house and ship's carpenters, turners, mould-makers, factory carpenters and other groups of wood workers would have had to set up unions of their own. The Wood Workers' Union lived on till 1923, and then the antagonism of interests between members in the building industry and the so-called workshop workers and factory

carpenters became so pronounced that the union had to be split into two, one for building-wood workers, and the other for the wood industry workers.

The craft point of view was in point of fact so marked in both national and other unions that the unskilled workers found themselves obliged to establish unions of their own, even when they were actually working with the skilled craft workers. The bricklayers' union refused to admit to their union hodmen and other unskilled auxiliary workers ; the moulders' union would have nothing to do with unskilled workers in the foundries. These unskilled workers therefore combined in 1891 with various other similar groups to form the General and Factory workers' Union. They were further joined by some groups of dockers and transport workers. In 1897, however, a transport-workers' union had been formed which had hoped to be able to absorb all classes of transport workers, including seamen and railwaymen. It has been disappointed : first, the railwaymen in 1899, and then, a few years later, the seamen set up unions of their own. The Transport-workers' Union was even forced to give up the idea of organising the warehousemen and lorry-drivers employed in commerce, for in 1906 these formed a union of their own, which is now the Commercial Workers' Union.

The object in forming national unions was, of course, to help the local branches in their endeavours to get better working conditions for their members. The chief task of the national union was to form local branches in places where there had been none before : also, to start strike funds. But when the employers too began to move in the direction of national craft associations, the need was felt for a wider trade union concentration, and a closer cooperation between the various national unions. A Scandinavian Labour Congress, held in Stockholm in 1897, recommended the creation of national trade union centres in all the three Scandinavian countries. The Swedish Centre was founded a year later, in August, 1898. It was of the nature of a reinsurance organisation, having special reference to possibilities of lock-outs. The

draft Rules presented to the Inaugural Congress did, it is true, propose that the Centre should help the affiliated unions in strikes as well as lock-outs. But this would have meant limiting the autonomy and freedom of movement of the individual unions, and therefore it was decreed that the national centre should only be empowered to deal with lock-outs of importance. The chief duty of the Centre, as laid down in the Rules, was to arrange for reciprocal aid among the unions, "if the employers try, by means of a lock-out, to prevent organisation work or to hamper the workers' attempts to improve their working conditions; and further, in all cases in which the right of association is threatened, or the workers are locked out for founding trade union branches; or again, when wages are reduced".

Affiliated unions can only claim the help of the Centre if over 5% of their members are involved in a labour conflict of the above nature. Relief actions must be financed by the levying of a special contribution from the unions, which must not exceed 25 Øre (about 3 pence) per member per week. The ordinary affiliation fee of the affiliated unions to the national centre was fixed at 20 Øre per member per year.

The National Centre began its work in 1899, and at the end of that year, it had a membership of 16 unions with 664 local branches and 37,527 members.

The Rules passed by the inaugural congress laid down that the Centre should consist of "craft unions", and other individual, local unions which were not eligible to affiliate with any national union. When this Rule was made, the idea in the minds of the makers was that of national unions on a craft basis, and other organisations representing one or two allied crafts or groups of crafts. The idea of an *industrial union* had scarcely risen upon the horizon. But the opening years of the new century saw such sweeping changes in the employers' associations and in the scope of collective agreements that the need of industrial unions began to make itself felt. In the sawmilling and textile industries the first beginnings of

such were already in evidence. But there were still many who thought industrial unions had no right to organise workers irrespective of their trade skill or of the traditional demarcation lines of their craft. The first move forward was taken in 1906, when the Executive proposed an additional clause to the Rules of the Centre, which should lay down explicitly that industrial as well as craft unions were eligible for admission to the national centre. The proposal however had many opponents, chief among whom was the Iron and Metal-workers' Union, which held that the industrial union form of organisation should not be recognised. This Union had had a considerable measure of success within its own sphere of activities, in spite of the fact that the national agreement concluded for the engineering industry had been negotiated with no less than four different unions representing workers' interests, while the employers were concentrated into a single body, the Swedish Engineering Association. But when this national agreement expired at the end of 1908, the employers' association insisted upon the inclusion of four more engineering workers' unions as parties to the new agreement. Then it was, therefore, that the grave disadvantages of the old system of organisation became painfully apparent. Consequently, when the Trade Union Congress of 1909 met, and there was another opportunity of discussing the form of organisation, the Iron and Metal Workers' Union was foremost among those who desired complete reorganisation on the principle of industrial unions. The Congress compromised: it recommended "a gradual transition to purely industrial unions" it also appointed a Committee to draw up a scheme of organisation. When Congress next met in 1912, this Committee presented its findings: it proposed that the existing 41 unions should be converted into 22 industrial unions. The "guiding principles" of the change were to be as follows: (1) These unions were to comprise all the workers engaged in a given industry; (2) their activities were to cover all the workers coming under the same collective agreements; and (3) should it be impossible, for practical reasons, to form purely industrial unions,

certain closely related smaller industries were to be grouped together organisationally.

The Congress approved the scheme, but so great was the opposition from the normal craft unions that it was compelled to add a qualifying declaration that unions hitherto independent should not be compelled to co-operate in the establishment of industrial unions, if a majority of the members expressed the opinion that amalgamation or absorption into an industrial union might be prejudicial to members' interests. Those unions which had been listed as victims in the Committee's Draft Scheme took shelter behind this declaration and refused to help in carrying into effect the resolution of the Congress. The next Congress, held in 1917, found therefore that very little had been done towards the establishment of the new system. It appealed to the unions to act, but without success. This failure had to be admitted by the Congress of 1922, which however, renewed the former decision in terms stronger even than before: the new resolution fixed December 31st, 1925, as the final date for the compulsory accomplishment of the organisational changes.

In the meantime the trade union movement had taken up many new activities which had been almost unknown in 1912, when the reorganisation scheme had first been adopted. The Executive decided, therefore, to take steps for improving and supplementing the scheme which would not have been practical at the earlier date. In 1923 it made a statistical enquiry into the numbers and grouping of the trade union movement, and found that the number of unions had increased considerably since the original enquiry, on which the Scheme of 1912 had been based. There were found to be 60 unions, most of the 60 being distinctively craft unions, so that the present trend was seen to be in the opposite direction to that desired, and, evidently the national centre had been able to do little or nothing to check the tendency. The tendency to organise on craft lines had been most pronounced in branches of industry where the workers had only begun to organise during the war and post-war years; these workers had organised very speedily

on craft lines, without paying any heed to the wishes of the national centre. This class of workers had had no opportunities of sharing personally in the experiences of the older trade union movement in organisation : and being without such experience, group interests had had a free field. Old established craft demarcation lines had in some cases even been narrowed. For instance, in the first few years of the century a single union, the Seamen and Firemen's Union, had sought to absorb all seamen ; but now there were no less than six unions. In the telegraph industry, where the State is the only employer, there were 4 unions for the so-called lower-grade staffs alone. Similar conditions existed in other trades.

It was clear that it would be tremendously difficult to carry into effect the resolution of the Trade Union Congress of 1922, and it was equally clear that it had not been done. The unions marked down as the victims showed not the smallest inclination to adopt the new principles, logical as these were, on which the reorganisation scheme was based. The Executive of the National Centre had made some changes in the re-grouping of the original scheme, in order to do justice to all reasonable claims : but so far, not a single union had dissolved.

In 1923, therefore, the Executive proceeded to amend its scheme in the light of the results of the statistical enquiry. It now decided to reduce the number of national unions to 33. We give below a list of these unions, with their memberships, as based on the statistical enquiry of 1923 :

	<i>Membership</i>	<i>Percentage</i>
Boot, Shoe and Leather Workers	10,830	2.98
Brewery Workers	4,052	1.11
Building Workers	20,103	5.53
Clothing Workers	8,185	2.25
Commercial Employees	5,543	1.55
Customs Officials	1,965	0.54
Electricians	3,157	0.86
Factory Workers	23,911	6.57

Food and Drink Trades	11,727	3.22
Forestry and Lumber Workers	14,093	3.87
Hairdressers' Assistants	382	0.10
Hotel and Restaurant Employees	1,711	0.47
Land-workers	10,376	2.85
Metal-workers	58,501	16.08
Miners	3,195	0.88
Municipal Workers	15,656	4.30
Painters	3,289	0.90
Paper Workers	20,644	5.68
Postal Employees	4,231	1.16
Prison and Mental Hospital Staffs	3,219	0.88
Public Works Constructional Workers	1,740	0.48
Railwaymen	39,706	10.91
Sawmill Workers	23,594	6.49
Seamen	12,188	3.35
Stone Workers	3,776	1.04
Stove fitters	557	0.15
Telegraph Employees	7,402	2.04
Textile Workers	16,558	4.55
Tinplate Workers	1,113	0.30
Tobacco Workers	3,137	0.86
Transport Workers	11,912	3.28
Typographical Trades	10,718	2.97
Wood Workers	6,550	1.80
	Total 363,721	100.—

The above scheme is by no means in strict accord with the logical application of the industrial union principle, for it had been found necessary to make large concessions to the earlier form of organisation. The Building Workers' Union, for instance, is so organised as only to cover workers directly engaged in building (bricklayers, builders' carpenters, hodmen etc.) and leaves outside it, in their own previous unions, all workers in the employ of concerns supplying materials to or working for building contractors (painters, tinplate-workers, stove fitters, plumbers, electricians etc.). In the 1912 scheme

the building industrial union would have covered *all* the workers engaged in the industry ; one reason for the exceptions which narrow it down was the fact that persons in the employ of the above-mentioned concerns are not among the groups covered by the national collective agreement, but a still more decisive reason is the reluctance of the craft unions catering for these workers to be absorbed in an industrial union. Similarly, the Organisation Scheme would have dissolved the Moulders' Union and transferred its members to the Metal Industry Workers' Union.

It is therefore very evident that the trade union concentration which industrial development has made so necessary has not yet been effected, and in all probability will not take place for some time to come.

Nevertheless, the statistics for the period 1908—1923 show that there has been a considerable shift of individual membership towards industrial unionism. Over 60% of the members of trade unions were in 1923 organised in industrial unions, against only 43% in 1908.

The following table shows that a "gradual transition" towards industrial unions has in fact taken place since 1908, in so far, at any rate, as membership is concerned :

Year	Craft Unions				Industrial Unions				Mixed Unions			
	No. of unions		Member-ship		No. of unions		Member-ship		No. of unions		Member-ship	
		%		%		%		%		%		%
1908	25	62.4	54,802	24.8	10	24.3	96,344	43.6	3	7.3	57,771	26.1
1923	32	53.3	68,313	18.5	17	25	221,755	60.2	4	6.7	56,205	15.3

The so-called "mixed unions" are : the general and factory workers' union, the transport-workers' union, the commercial workers' union, and the so-called "associated" unions, the last-named of which devotes its chief energies to the organisation of the workers in the chemical industry, and is therefore a rival of the factory workers' union.

Seven unions have been omitted from the above table, because they do not belong to any of the three divisions.

As there are certain cases in which the scheme for industrial unions is unlikely to be carried into effect in the near future, measures have been taken to organise cooperation between the unions catering for the different workers in the same industry. This has been done for the Metal Industry Workers' Union and the Moulders' Union by means of a recent "Cartel Agreement", and for the printing and allied trades through a similar "Cartel Agreement", covering the Printers' Union, the Book-binders' Union, and the Lithographers' Union (which according to the general industrial Union Scheme were to form a single union). An arrangement similar to that made for the printing trades is now being negotiated for the 10 unions catering for the building trade.

At the Congress held in 1926, the question of industrial unions was again dealt with: a scheme of organisation prepared by the Executive and approved by the General Council was ratified by the Congress. The Congress placed on record the fact that, although the resolution passed in 1922 had not been fully carried into effect within the appointed time, yet the question was substantially nearer to settlement. The new scheme of organisation was approved as a "minimum programme" for the constitution of the unions on the principle of industrial unions. The executives, members, and local branches were invited to accelerate such changes in the local branches and groups of members as are in conformity with the scheme of organisation, but it must be borne in mind that the unions affiliated with the national centre are under no compulsion to transfer members to unions which do not belong to the National Centre. Demarcation disputes between the unions are, as before, to become the subject of negotiation between the executives of the unions concerned, the negotiations being also attended by representatives of the National Centre. If necessary, such disputes may be settled by arbitration. The unions forming part of a Cartel Organisation were invited "to conduct the activities of these organisations in

such manner as to fulfil the conditions essential to a speedy amalgamation of organisations". Unions which, under the organisation scheme, are due for dissolution, were invited by Congress to enter into immediate negotiation with the industrial union concerned, in order to effect amalgamation.

The system of organisation of Swedish trade unions is somewhat complicated. The primary organisations are the local *branches* of the national unions. Sometimes, when they include several related crafts or branches of industry, they are divided into *sections*, as in the transport-workers' union and the general and factory-workers' union. In the General and Factory-workers' Union "Samorganisationer" (Trade Union Associations) have been formed by groups of industrial workers representing the following industries: the match industry, the rubber industry, the building materials industry, the porcelain industry, the artificial fertiliser industry and the glass industry. These *trade union associations* are in their turn organised nationally, still within the framework of the union. Similar organisations have been created in the Sawmill Industry Workers' Union: their lines of demarcation follow either those of administrative districts, or those of large enterprises or concerns. *District Organisations* are to be found in the printers' union etc. If a union has several local branches in one locality, these are grouped together into so-called "Platsorganisationer" or *Local Organisations*. Such organisations have also been formed by local branches belonging to different unions for the purpose of safeguarding the common interests of a given sphere of labour. For instance, all the local branches of the building industry in Stockholm have combined to form a Local Organisation. In the same way as Cartel Agreements are formed between closely-related unions, so these Local Organisations may easily become powerful instruments for the practical achievement of trade union policy.

Another useful instrument for the same end is the *Workshop Club* of the various local branches: some local branches have had to carry the workshop club principle still further and establish *Branch Clubs*, representing specialised processes

due to the division of labour which has followed upon the enormous advance of engineering technique. The Workshop Club of a Local Trade Union Branch includes all the workers of a factory or workshop, no matter what their occupation, but the Branch Club, while it includes every kind of work catered for in the local branch, only accepts as members those who do specific specialised work. In the book-binders' union in Stockholm there are 3 Branch Clubs, catering respectively for hand and machine gilders, skilled book-binders, and the workers in account-book factories.

Some mention must also be made of the Trade Councils, called in Sweden "Local Trade Union Central Organisations", which of course cover all the trade union branches of a locality, and devote themselves almost exclusively to propaganda and educational work. Although in theory they are the local organisations of the National Centre, the Trade Union Congress has never formally recognised them as such. But when the National Centre grants financial or moral aid, the Trade Councils may only receive such aid provided that they admit only such trade union branches as belong to unions which are affiliated with the National Centre.

In some cases trade councils have been known to disregard the instruction of the National Centre; and, even admitted members of Syndicalist trade unions, which are opposed to the Trade Union Movement as represented by the National Centre.

Constitution.

The Swedish Trade Union Movement is definitely democratic in character. The right of membership is granted irrespective of sex, birth or opinions (religious, political, or philosophical). Some unions, however, have an age limit: members of the Metal Industry Workers' Union, for instance, must have attained their 15th year, and must be over 18 before they may take part in voting on wage actions or strikes. The same union requires of applicants for admission that "they

shall not have made any individual contract with their employer, and shall do all in their power to comply with the Rules and Resolutions of the Union". This reservation was inserted because employers have been known to get certain workers who held important posts in the factory to give a written declaration undertaking not to join in a strike. Foremen have now a trade union organisation of their own, the "Sveriges Arbetsledareförbund" (Swedish Foremen's Union). As already mentioned, the Rules of the Telegraph and Telephone Employees' Union contain a clause similar to that of the metal-workers, prohibiting employees on the establishment, who are bound by contract, from being admitted to the Union.

In recent years, in certain trade unions, especially in the building trades, there has been a tendency to limit the right to membership. The Trade Union Congress of 1926 discussed this question for the first time, and passed the following resolution :

"The Congress is of opinion that a closed trade union policy is opposed to the principles of the trade union movement, and is not reconcilable with democratic and Socialist conceptions. The Swedish Trade Union Movement must continue to maintain an open trade union policy and must concede the right of membership to all workers who are working within the organisational sphere. In their efforts to maintain existing agreements, the trade unions must take no steps which restricts liberty of movement, unless these are necessary in the interests of the maintenance of ordered conditions in the industries in question. Every trade union must order its relations in such manner as to avoid disputes between the organisations concerning the competence of their members to perform particular kinds of work."

In all union branches, workshop clubs etc., all workers have equal and direct votes. The number of representatives sent to union congresses or to the national trade union congress is based on the membership. At congresses voting is on a per capita basis.

Both Local Branches and Unions are managed by Executive Committees. The election of union executives takes place

at union congresses. At the head of every union is a paid employee, called a "Förtroendeman" (Confidence man) who, with the *secretary* and *treasurer*, is usually in receipt of a fixed salary, and must devote his whole time to the business of the union. The larger unions and the National Centre also have an "Ombudsman", an Official Representative, who undertakes propaganda work and negotiations with employers.

Certain unions also have a "Representantskab" (General Council) elected either by congress or by a referendum of the members. The members of the council live in different parts of the country.

The Executive of the National Centre, usually known as the "Landssekretariatet" or National Secretariat, consists of seven members elected by the Congress: three of these are in receipt of salary, namely, the president, the secretary and the treasurer. During the period between congresses, which meet only once every 4 or 5 years, the highest authority is the General Council, consisting of representatives of the unions affiliated with the Centre. Unions with less than 10,000 members send one representative each to the Council, those with under 20,000 members two, those with over 20,000 and under 40,000 members three: and an additional member may be sent for every further 20,000 members or fraction thereof.

The benefit system is highly centralised. The affiliated unions give each other aid in both strikes and lock-outs: the Centre itself is responsible for aid in lock-out or other conflicts of a defensive character. This centralisation of the benefit system has in its turn given rise to *centralisation in the management*, which has had to be extended also to a certain degree to *the right of decision in wages movements and labour conflicts generally*. For this reason union rules and also the rules of the Centre contain clauses regulating in detail every process in a wage movement, from beginning to end. The union rules lay down that the Local Branch which wishes to start a wage movement must notify its intention in good time to the Union Executive, before whom it must submit, for approval, the demands it intends to present to the employers.

For the sake of ensuring as much uniformity as possible, the union executives also have the right to amend the draft wage agreements etc. proposed by the Local Branches. The Local Branches may not declare a strike or a blockade without the consent of the union executive ; and, as a rule, they must have the consent of the union before they can make an agreement with the employers. If a wage movement is started before the union executive has been given a chance to examine the demands of the Local Branch, the Branch runs the risk of being refused aid in case of need. If a Local Branch proclaims a strike or a blockade, or if it resorts to any other weapon without having first obtained the consent of the union executive, it forfeits its right to financial aid from the union treasury.

It is customary for a union executive to take a vote of the union members before it gives its consent to a strike which is likely to involve large numbers of workers. In such case, at least three-fourths of the adult members (over 18 years of age) must vote in favour of the strike, and at least two-thirds of the particular class of workers affected by the strike. *Union members neither must nor may take action on a resolution for a strike or blockade unless such resolution has been issued by the competent union executive or by the national secretariat, or has been recognised by these authorities.*

If a union intends to ask the aid of the National Centre, it must give the National Secretariat opportunities to investigate how far the stoppage of work will necessitate financial aid from the National Centre. This principle is expressed in the following clause : "No strike which is likely to lead to a lock-out may be declared without the consent of the Secretariat." An appeal against the decision of the Secretariat may be lodged with the General Council.

The leadership of a conflict must remain in the hands of the Union Executive, even if the National Centre is giving financial aid. But the Union Executive must accept the *co-operation* of the National Secretariat : the latter usually takes part both in negotiations and in the compilation of wages

agreements which cover considerable numbers of workers : and still more, of course, if the agreements are national : in this case, however, the National Centre is generally one of the parties to the transaction.

Great strictness is observed in enforcing the compliance of the affiliated unions and their local branches with the decisions of the Trade Union Congress, especially those which order strikes, blockades or boycotts, when there is danger that members of other unions may be involved in the conflict. The following is the rule of the Centre on this point :

"No resolution ordering a blockade affecting workers of others craft groups may be adopted unless the executive or executives of the union or unions to which the other workers belong have given their consent to this resolution. If the union executives fail to reach agreement in these cases, the matter must be referred for decision to the National Secretariat. Appeals for boycotts must be issued by the Executives of the unions concerned.

Members taking part in a sympathetic blockade shall receive aid from the union which has proposed this blockade, but if the National Secretariat has organised the blockade, then the aid has to be given by the National Centre."

It will have been seen that the National Centre is only bound to give aid to the unions in *defensive* conflicts. The power to intervene in ordinary wage movements and strikes and to have a voice in the method of conducting them is thus strictly limited to cases in which application for aid has been made to the National Centre by the union in question. In 1909, however, there was a notable exception to this rule : when the Swedish Employers' Association proclaimed lock-outs and sympathetic lock-outs, the National Centre retaliated by declaring a general strike. The lock-outs had involved 70,000 workers : the general strike proclaimed on August 4th lasted for 6 weeks, and involved some 230,000 workers. Although not authorised to do so by the Rules of the Centre, the National Secretariat took over the whole management of this celebrated conflict, thereby putting the Union Executives out of action. When the strike was over, complaints were made against this procedure at the congress which followed it. The

National Secretariat proved conclusively, however, that drastic centralisation was absolutely essential on account of the wide extent of the wage movements before the strike and the experiences of the strike itself. The Secretariat therefore proposed certain amendments of the Rules which would have made the National Centre responsible for the financing of more important strikes. Had the proposal been accepted, it would have meant empowering the Secretariat to take over the management of all more important wage movements and labour conflicts : in such case, to enable the Secretariat to cope with so responsible a task, all the seven members would have been granted fixed salaries, so as to make it possible for them to give their whole time to the business of the Centre. The unions in general were not disinclined to impose on the National Centre the obligation to give aid in offensive strikes, but they shrank from the idea of a resolution which would have cut so deep into the autonomy and freedom of movement of the individual unions. This proposal for wider powers to be conferred upon the Centre was therefore dropped at the congress. It has since been revived, the last time being in 1926, but then, too, it was rejected.

Administration.

The whole of the work done by the local branches, the unions and the national centre is financed by the ordinary *trade union contributions and affiliation fees, and by special levies raised on specific occasions.* Ordinary contributions are as a rule paid weekly, and the amount is fixed definitely in the Rules. Special levies are made when ordinary contributions and the fund formed from them are insufficient to meet absolutely necessary expenditure : for example, when unions are involved in great strikes or lock-outs, or when there is severe unemployment, which makes great demands on the benefit funds of the unions.

Originally contributions were very low, often not more than from 10 to 25 Øre per member per month : or, at the out-

side, about the same amount per week. While they remained so low, it was of course impossible for the unions to give much practical help to their members when the conflict was one of considerable extent, for contributions so small as the above hardly did more than cover the absolutely unavoidable expenditure for propaganda and administration. And it was soon found that special levies had the effect of driving members out of the unions, especially if they were high enough to be of real use. This was one of the reasons why the National Centre found it necessary, as far back as 1900, to pass a resolution fixing a minimum contribution for all the affiliated unions. Three years later a resolution was proposed to the effect that the payment of a minimum affiliation fee of 30 Øre per member per month should be an indispensable condition for the admission of unions to affiliation with the Centre: but at that time the minimum affiliation fee was only 20 Øre per member per year. Later the minimum union contribution was raised to Kr. 15.60 per member per year for members paying full contributions, and Kr. 7.80 for members paying half contributions.⁽¹⁾ In 1923 contributions were again raised, this time to Kr. 23.40 and Kr. 13 for the two categories. This contribution is the lowest amount which the unions affiliated with the National Centre may demand from their members: it does not include contributions to unemployment, sickness and death funds.

The contributions payable to the affiliated unions now considerably exceed this amount. They are chiefly paid per week. In 1924 the highest contribution was levied by the Printers' Union, which demanded not less than Kr. 2.10 per member per week (Kr. 109.20 per year). Next came the Painters' Union, with Kr. 1.85 per week. Several other unions levy a contribution of over 1 krone per week for full paying members.

Unions which do not belong to the Centre are usually satisfied with lower contributions. They are well able to do

⁽¹⁾ Members paying half contributions are chiefly women and young workers under 18.

this, because their activities are usually confined to a narrower sphere where there is comparatively little risk of strikes, lock-outs, or extensive unemployment.

Originally, as stated above, the affiliation fee payable by the unions to the Centre was only 20 Øre per member per year. It has steadily risen—being 80 Øre from 1904 to 1906, Kr. 1.22 between 1907 and 1914, and Kr. 1.92 between 1915 and 1922. Since 1923 the ordinary affiliation fee has been Kr. 4.80 per member per year for every member paying contributions in full, and Kr. 2.40 for members paying half contributions, and it is hoped that this last rise will make it unnecessary in future to make special levies. Of this affiliation fee one quarter goes to the Administration Fund (Kr. 1.20 and 60 Øre for the respective categories) : Kr. 3.12 and Kr. 1.56 for the respective categories to the *Reserve Fund* (which must never be less than 1 million Kronen), and 48 and 24 Øre respectively to the Old Age Insurance Fund for employees of the trade union movement. (This Fund was only established in 1923 : before that date a certain percentage of the affiliation fees was earmarked for a Fund granted out of the loan to the Trade Union Buildings enterprise. This Fund amounted at the end of 1924 to Kr. 1,096,613.)

The contributions of the unions are similarly divided among various Funds, but the lion's share goes to the Benefit Fund for strikes, lock-outs and unemployment.

The amount of benefit paid out varies very much. Some unions classify their members according to length of membership and the amount of contributions paid. The Metal Industry Workers' Union does not fix the exact amount of the strike and lock-out benefit payable in its Rules. The Maximum is 30 kronen per member per week, but the Union Executive decides in each individual case on its merits, "having regard to the special circumstances of the size of the family and the cost of living in the locality". In the General and Factory Workers' Union members who have belonged to the union for six months and paid full contributions, receive in strikes and lock-outs 3 kronen per day, while members who have been in the

union 18 months receive 4 kronen, and those who have been members for four years 4.75 kronen per day. Members paying half contributions receive 2, 2.50 and 3 kronen per day respectively in the above cases. The chief breadwinner of a family gets 50 additional øre per day for each child under age.

Some 20 unions pay their members unemployment benefit, the amount of which varies in the different unions. The printers' Union pays 5 kronen, other unions from 1.50, 2 kronen etc. per day. These unions also grant their members *travelling benefit* when they are obliged to seek work at some distance. Very few of the unions pay *sickness benefit*, chiefly because there is an excellent sickness insurance system, and trade unionists usually prefer to become members of these sickness insurance funds. But a fair number of unions grant *death benefit*.

The following tables show the total income and expenditure of the unions affiliated with the National Centre and of 10 large unions unaffiliated with it, during the period 1888—1924 :

*Incomes of the Unions during the Period 1888—1924
showing the chief sources.*

	Unions affiliated with the National Centre		Unions unaffiliated with the National Centre		Total	
		%		%		%
Income from members' contributions .	108,616,198.48	86,3	18,021,282.87	85,4	126,637,481.35	82,2
Contributions from National Centre . .	8,776,168.33	7,0	37,425.00	0,2	8,813,593.33	6,0
Income from other sources (interest etc.)	5,420,366.23	4,3	2,180,770.77	10,3	7,601,137.00	5,2
Relief contributions from foreign countries	2,373,858.65	1,9	232,416.61	1,1	2,606,275.26	1,8
Voluntary contributions from various sources in Sweden.	586,561.65	0,5	622,726.93	3,0	1,209,288.58	0,8
	125,773,153.34	100	21,094,622.18	100	146,867,775.52	100

*Expenditure of the Unions during the Period 1888—1924,
showing the chief items of distribution.*

	Unions affiliated with the National Centre		Unions unaffiliated with the National Centre		Total	
		%		%		%
Wage Movements and Labour Conflicts	53,579,793.02	47.6	5,180,405.42	30.5	58,760,198.44	45.4
Administration and Congress costs . . .	13,481,240.58	12.0	4,491,344.29	26.5	17,972,584.87	13.9
Propaganda and union journals . . .	4,140,946.52	3.7	2,192,975.10	12.9	6,333,921.62	4.9
Unemployment and travelling benefit . . .	19,549,567.85	17.4	1,479,839.82	8.7	21,029,407.67	16.3
Affiliation fees to National Centre . . .	12,470,282.85	11.1	5,573,200.03		12,475,856.05	9.6
Grants of financial aid and voluntary contributions . . .	468,781.48	0.4	842,093.31	5.0	1,310,874.79	1.0
Affiliation fees and relief contributions to foreign countries	1,707,011.46	1.5	525,010.48	3.1	2,232,021.94	1.7
Miscellaneous . . .	7,049,343.69	6.3	2,248,333.24	13.3	9,297,676.93	7.2
	112,446,967.45	100	16,965,574.86	100	129,412,542.31	100

The income and expenditure of the National Trade Union Centre are shown in the following tables :

Income of National Centre during the Period 1888—1924.

	Kronen	%
Ordinary affiliation fees . . .	6,445,910.06	36.4
Special levies	6,057,974.62	34.2
Voluntary contributions . . .	1,329,922.15	7.5
Fees for work done	653,868.38	3.7
Relief contributions from foreign countries	2,526,761.41	14.3
Misellaneous (interest etc.) . .	697,180.07	3.9
Total	17,711,616.69	100

*Expenditure of National Centre during the Period
1888—1924.*

	Kronen	%
Wage Movements and Labour Conflicts	10,289,923.64	67.3
Legal advice and proceedings .	71,592.65	0.5
Compilation of Records and Educational work	155,057.24	1.0
Affiliation Fees for Foreign Countries	2,056,645.78	13.4
Relief Contributions to Foreign Countries	623,527.36	4.1
Administration and congress expenses	1,133,467.01	7.4
Deficit on magazine "Fack- föreningsrörelsen"	70,595.57	0.5
Financial aid granted to indivi- duals	48,995.85	0.3
Propaganda expenses	271,596.44	1.8
Printing	204,591.20	1.3
Miscellaneous (repayment of loans etc.)	362,584.79	2.4
Total	15,288,577.53	100

The exact financial position of the Centre and the affiliated unions on December 31st, 1925, was as follows: the Centre was in possession of funds amounting to Kr. 3,645,559 and the aggregate amount of the funds of the affiliated union was Kr. 17,554,800 (or Kr. 46.54 per member). The three unions in the strongest financial position were: the Printers Union, with Kr. 213.96 per member: the Bricklayers' Union with Kr. 126.87 per member: and the Lithographers' Union with Kr. 116.79 per member.

Methods of Conflict.

The Swedish trade union movement is so strongly under Socialist influence that doctrinally it has all the characteristics of a class movement. So far as practical work goes, it is definitely *reformist*. The Rules of the national centre and the individual unions all alike lay stress on the principle that strikes and similar weapons should only be resorted to in extreme cases, when all hope of a peaceful settlement is at an end. Every effort is made to utilise to the full the system of free negotiations, which has been established under the aegis of the State. Under this system considerable aid is rendered both by conciliation legislation, and voluntary conciliation proceedings in all legal disputes, i. e. disputes concerning the interpretation and application of wage agreements. The settlement of disputes by conciliation has been yet further facilitated during the last ten years by the concentration of the employers and their recognition of local trade union branches, national unions, and the national trade union centre as competent parties for negotiation and the conclusion of agreements.

The statistics kept by the National Centre since 1907 show plainly that there have been genuine efforts to settle by peaceful means all points in dispute between the trade unions on the one side and the employers and their organisations on the other. On an average, some 75% of all wage movements and disputes are settled without recourse to strikes or similar measures. But this must not be taken to mean that the trade unions have ever hesitated to fight when fighting was unavoidable.

Since 1913 official statistics have been kept of the number and extent of stoppages of work. These statistics show that the number of labour conflicts during the period 1903—1924 was 5,734, of which 5,094 were strikes, 254 lock-outs, and 386 conflicts of a mixed description. The total number of workers involved in these conflicts was 1,118,326, of whom 714,468 were affected by the strikes, 171,139 by the lock-outs, and 232,719 by the "mixed" conflicts.

Thus, although the number of strikes is considerably in excess of the lock-outs, and the total number of strikes involve a much larger number of workers than the lock-outs, yet, taken relatively, the *average* strike involves a much smaller number of workers than the *average* lock-out. The average number of workers involved per strike was only 140, but the average number of workers per lock-out was 674. The average number of workers involved per mixed conflict was 602,— a proof that these conflicts partake more of the nature of lock-outs than of strikes.

The conclusion which may fairly be drawn from these figures is that as a rule the workers' organisations have tried to limit the extent of the conflict, while the employers and their organisations have found that their interests are best served by extending the scope of the conflict as far as possible. This is of course primarily due to the fact that the lock-outs have often been a counterblast to the strikes, their object being to force the workers to lay down their arms.

Official information is also available for the number of working days lost through stoppages of work, but in this case no distinction has been made between strikes and lock-outs. To get an idea of the proportion between the number of working days lost through strikes and those lost through lock-outs, the statistics kept by the National Centre must be consulted, and these of course only record stoppages of work affecting the unions affiliated with the national centre. These statistics for the period 1912—1924 are as follows :

Number of Working Days Lost.

Through Strikes	7,670,464
Through Lock-outs	7,449,199

Strike Pay Disbursed by the Unions.

For Strikes	17,749,991 Kr.
For Lock-outs	15,678,036 Kr.

These figures show that the lock-outs have caused almost as great a loss of working days as the strikes, so that the

former have been almost as disastrous economically as the latter.

It must be borne in mind that the strike benefit paid by the unions for strikes and lock-outs, and the number of working days lost, as shown in the above figures, refer only to *members* of the unions affiliated with the national centre. Unorganised workers also affected by the stoppages specified above are not included.

The trade unions resort to blockades and boycotts as well as strikes. The previous chapter contains an account of the trade union rules governing the use of these weapons. Under the influence of Syndicalist propaganda, the reformist organisations have further devoted a good deal of attention to the question how far a general or a very big strike may be regarded as a useful weapon for trade unions. In point of fact, however, the Reformist trade unions had had a very big strike long before the Syndicalists started their propaganda for it. This was in 1902, when the Executive Committee of the Socialist Party appealed to the organised workers to declare a general stoppage of work for three days, in order to put pressure on government and parliament for the establishment of universal, equal and direct suffrage. No fewer than 120,000 workers took part in this strike—nearly half the total number of trade unionists in the country, although only 40,000 of these were members of unions belonging to the National Centre. The question of declaring a general strike as a means of securing victory in trade union conflicts was first discussed at the trade union congress of 1906. This congress considered a proposal "that the congress should deal with the question to what extent a great strike could be used as a counter-measure to a big lock-out." Its answer to the question was as follows :

"The Congress is convinced that circumstances may arise which may make it expedient to proclaim a general strike as a counter-measure to the employers' attacks, but it is unable to establish in what cases and under what circumstances such a step should be taken. It therefore declares that ad hoc

decisions must be made by the General Council and the organisations and workers immediately concerned."

This resolution contributed towards enabling the General Council of the National Centre to instruct the Executive Committee to proclaim a general strike in 1909, as a counter-measure to the very extensive lock-out declared by the Swedish Employers' Associations.

The Syndicalists have made great efforts to bring the workers round to their own conviction that sabotage and obstruction are very good and effective methods of conflict. As a general rule, however, the Reformist organisations have not adopted these methods, although they have been applied by members in individual cases. More than once the congress of the National Trade Union Centre has defined its attitude to demands which would have meant that the Centre and its affiliated unions would recognise sabotage and obstruction as lawful methods of conflict. The last of these occasions was in 1922, when the Congress embodied its views on the subject in the following resolution :

"In wage movements obstruction is not a weapon of great importance. It may even be harmful, if its use leads to a fall in the general capacity of industrial production ; for it is essential to the improvement of the economic position of the workers that by means of work a satisfactory output shall be maintained."

This resolution will not be understood aright unless the fact of the Syndicalist propaganda is kept in mind : the Syndicalists urge that workers ought to keep up "a perpetual fight" against employers in order to destroy the present order of society. The Congress did not mean to deny that obstruction (and sabotage, which it includes under the same heading) cannot be usefully applied in isolated cases, but it did desire to give expression to the opinion that such weapons must only be used with the utmost caution, and applied only under trade union control.

In order, if possible, to avoid strikes, the Syndicalists have in the last few years resorted to a so-called *reglster*. This is an arrangement by which the local trade unions endeavour

to register all vacancies and to fix the price of all kinds of work. In order to ensure that these fixed prices shall be actually paid, it is assumed that vacancies will be filled through the trade unions and the register used for that purpose.

This method has been described as distinctively syndicalist. It is beginning to be adopted within the reformist trade unions also, but only, as yet, to a smaller extent, on account of the many technical difficulties involved in the administration. But two of the larger unions affiliated with the National Centre, the metal-workers' and printers' unions, have established a system of registration which is very similar to that of the Syndicalists. The Trade Union Congress threw out a motion introduced in 1922, for the establishment of a national register.

It may be of interest to give some details here of the growth in Sweden of the *Collective Agreement*. As far back as 1908 there were no fewer than 2,365 collective agreements, covering 12,614 employers and 318,190 workers. By the end of 1924 the number of wage agreements had risen to 2,214, and the employers and workers numbered respectively 12,614 and 413,181. As the employers' organisations began to develop more and more into industry organisations, so the collective agreements developed steadily into *national agreements*, or agreements regulating working conditions for a whole craft or a whole industry. The following figures illustrate the above process : At the end of 1907 there were only 9 national collective agreements covering 41,000 workers, or 16% of all the workers who at that date were working under collective agreements. At the end of 1920 there were 33 such agreements, and they covered 190,621 workers, or 44% of all the workers whose conditions were regulated by collective agreements.

There is no *legislation* in Sweden regulating collective agreements. The only laws directly relating to trade union activity are the following : (1) the Åkarp's Act of 1899, providing for the protection of strike-breakers ; (2) an Act of 1906, providing for the settlement of labour disputes ; (3) a

second Act in 1920 dealing with the same subject, providing for voluntary conciliation proceedings, called the "Act establishing a National Conciliation Office to deal with certain Labour Disputes"⁽¹⁾.

Membership Statistics.

It was during the first decade of the twentieth century that the Swedish Trade Union Movement first took a very pronounced stride forward. Midway through this decade there was marked economic prosperity; and during this period the question of the right to combine gradually aroused less and less controversy. Liberal workers and workers with strong religious convictions gradually lost their previous prejudice against the trade union movement, and there was a growing general recognition of its necessity and usefulness. The great strike of 1902 for universal suffrage was followed by a slight setback in trade unionism, but soon after membership again began to rise, and by the end of that year there was an increase of 17½%, the total being 78,088. At this date, 47,820 of the organised workers were affiliated with the National Centre. In 1904 the membership rose by over 25%, the total being 97,878. But the record increase occurred in 1906, when the membership leapt up to 179,644 (a percentage increase of 72.6). The membership of the National Centre rose in that year to 144,395 (a percentage increase of 66.8). The upward movement went on through 1907, the membership at the end of that year being 230,667, of whom 186,226 belonged to the National Centre. At the end of 1908 a period of trade depression set in: there was widespread unemployment and acute labour conflicts, the result being a slight decline of trade union membership. The following year saw a serious setback, due to the great lock-outs of the summer of 1909, and the general

⁽¹⁾ In view of the Government plans for the introduction of compulsory arbitration in labour disputes, the Trade Union Congress of 1926 passed a resolution, protesting against legislation in this sphere.

strike which the National Centre proclaimed as a counter-measure. By the end of that year the total trade union membership had fallen to 147,891, and that of the National Centre to 108,079. The reprisals of the employers (for the general strike) and the growth of unemployment (due to bad trade) led to further decreases in the years 1910 and 1911. By the end of 1911, therefore, there were only 113,898 trade unionists in Sweden, 79,926 of whom were affiliated with the National Centre.

From that date to the outbreak of the World War, however, there was a slow but steady increase in numbers. At first the War had an adverse effect upon certain industries, especially the textile and stone industries; but this specialised depression was so soon at an end that it did not cause any loss of trade union membership. From 1916 to 1920 the Swedish Trade Union Movement enjoyed a steadily growing increase in membership: the old-established unions received large accessions, and the movement spread to spheres of industry which had hitherto been practically outside trade union influences. By the end of 1920, therefore, the total number was 402,896, and 280,029 of these were affiliated with the National Centre. But the economic prosperity caused by the War was followed by a period of unparalleled depression: in the spring of 1922, there were no fewer than 150,000 unemployed! Everything seemed to point to a corresponding loss of trade union membership: but, singularly enough, most of the trade unions managed to keep their members. There was a slight decrease in 1921, but only by 3.3%; that of 1922 was somewhat greater, i. e. 7.4%; but then numbers began to rise again, and they have continued to do so ever since. At the end of 1924, the National Centre itself made research into trade union membership, both of its own unions, and of about ten of the larger unaffiliated unions; it found that the total membership was 416,899, of whom 360,337 belonged to affiliated unions.

The membership also rose considerably in 1925 and during the first six months of 1926. On June 30, 1926, the national

centre had a membership of 395,996; at the end of October this had risen to over 400,000. There is no exact information available as to the membership of unions outside the National Centre at the same dates, but it is safe to assume that they amount to about 100,000. The number of workers organised in trade unions in Sweden may therefore be estimated at about half a million. With the exception of the Russian, the Swedish Trade Union Movement is the only one in the whole world which, in spite of economic depression and unemployment, has succeeded in raising its membership. Since the end of 1921, the membership has risen by 50%. 34 unions are at present affiliated with the National Centre. A statistical enquiry instituted by the Centre in 1923 (which however was not quite all-comprehensive) covered 60 unions, so that 26 unions, although some of these are numerically quite small, are not affiliated with the Centre.

The unions outside the national centre come under three headings. Some of them formerly belonged to it, but subsequently withdrew, usually for financial reasons: examples of this class are the textile-workers' union and the land-workers' union. Others do not consider that it is necessary to affiliate with the National Centre, because they cater for trades where lock-outs are extremely rare: examples of these are the postal employees' union, the customs' officers' union, and the telegraph works staffs' union. The third class comprises those unions of recent date which cannot be admitted to the Centre, because they have been formed in opposition to the principles laid down by the Trade Union Congress.

An approximate estimate places the number of workers employed in the spheres of activity covered by the unions concerned in the enquiry of 1923 at about 852,700. The total membership of the unions in question in that year was 368,831, so that over 42% of the workers in these spheres of industry are organised in unions either affiliated or non-affiliated with the National Centre. The percentage of organised workers is therefore not strikingly high, although it is not below that of most other countries. But, in estimating the strength of

the Swedish trade union movement, it must not be forgotten that there are in Sweden three important groups of workers who have begun to take an interest in trade unionism within the last ten years only ; and in none of these occupations are conditions very favourable to the growth of unionism. These three groups are *agriculture, forestry and commerce*. The total number of workers engaged in these occupations is estimated at about 350,000. If we leave these occupations out of account, and only consider workers engaged in industry, handicrafts, traffic and communications and public services, the percentage will be much higher—in fact, it will probably range between 65 and 70%.

Numerically, postal employees belong to one of the best organised trade groups. Their union comprises not less than 94% of all the lower-grade employees who can be organised. Next in order come the tobacco-workers (88.8%), the painters (88%), the railwaymen (84.5%), and then the boot and shoe operatives and leather workers (80%). The metal-industry workers' union organises about 75 or 80% of the workers within its sphere of competence : the food and drink trades and the sea-faring industry about 80%. The lowest percentage of organisation occurs in commerce, where only 5.5% of the workers eligible for organisation are organised ; in forestry the percentage ranges from 15 to 20%. The number of women unionists in the Swedish trade union movement was and still is quite inconsiderable. Of the 360,337 members of the Centre at the end of 1923, only 31,054 were women, a percentage of only 8.7. Some 20 of the unions affiliated with the Centre have women as well as male members, and there are three unions with more female than male members ; these are :

	<i>Men</i>	<i>Women</i>	<i>Total</i>
Tailors and dressmakers' union	2,689	5,769	8,458
Tobacco-industry workers' union	526	2,121	2,647
Bookbinders' Union	1,083	1,936	3,019

In the tobacco industry workers' union, therefore, the percentage of women workers was 80.1 ; in the tailors' and dressmakers' union 68.2 and in the bookbinders' union 64.1.

The ten unions unaffiliated with the National Centre, which are as a rule included in the membership statistics of the Centre, had on 31st December, 1924, an aggregate membership of 56,566, of whom 14,562 were women. Of the total membership of these unions, therefore, 25.7% were women. The largest of these unions is the textile-workers' union, with 20,043 members, of whom 11,765 (58.6%) were women. Of the 2,064 members of the hotel and restaurant employees' union, 1,276 (62.2%) were women. The land-workers' union has a membership of 6,205, of whom only 74 are women.

All the statistical information given above refers solely to the Reformist Trade Union Movement. The syndicalist, (with a membership of about 40,000) will be dealt with in the succeeding chapter.

Anti-Socialism, Syndicalism and Communism.

The trade union movement of Sweden has been spared the divisions engendered in other lands by racial or language differences or religious opinions. The Swedes are good Lutheran Protestants. In Sweden, as elsewhere, there are of course Catholics, Jews and adherents of "foreign" religious beliefs, but these probably find very few representatives among the working class : they certainly never have been numerous enough to dream of founding trade unions of their own.

Religious questions, however, have not been quite without influence on Swedish trade unionism. In the Nineties a group of denominational workers made the close connection between the unions and the Social Democratic Party an excuse for refusing to join the unions. As already stated, these workers formed in 1899 a union of their own, *Svenska Arbetareförbundet* (Swedish Labour Union) organised on a similar basis to that of the German Hirsch-Duncker Unions. The union

continued to exist down to the year 1909, but its membership never exceeded 10,000.

In 1905 an attempt was made to form an anti-Socialist organisation under the title of "*Svenska Ordensamfundets Arbetets Riddare*" (Knights of Labour); this organisation was modelled on the well-known association in the United States, "The Noble Order of the Knights of Labor". This curious attempt to unite workers hostile to trade unions with persons from other social circles was, however, a failure: the association existed only for a few years, and never attained to any great importance.

The great conflicts of the years 1908 and 1909 led to the founding at Stockholm of an association called the "*Fria Arbetareförbundet*" (Free Workers' Union), whose sole function was to supply employers with strike-breakers in times of strikes. This organisation was in the pay of the employers' organisations, but it too had only a short lease of life. Between 1909 and 1923 no serious attempt was made to form anti-socialist organisations. In 1923, during a strike among the forestry workers of Northern Sweden, a union was founded which boasted of the grandiloquent title of "*Arbetets Frihet*" (Freedom of Labour), and consisted chiefly of peasants who were competing with the forestry and lumber-workers.

Very different was the Syndicalist "Sverges Arbetares Centralorganisation" (S. A. C.), or "Central Organisation of Swedish Workers", founded in 1910. Here the initiative originated with the Young Socialists, who since 1897 had had an association of their own, the "Socialistiska Ungdomsförbundet", or Socialist Youth Union, which they transformed in 1908 into a party known as the "Sverges Ungsocialistiske Parti" (Young Socialist Party of Sweden). The Young Socialists are believers in anarchism, and look to Kropotkin as their intellectual founder. The immediate incentive to the formation of the S. A. C. was the dislike entertained in certain quarters to the close connection between the trade unions and the Social Democratic Party, added to which was dissatis-

faction with the way in which the unions were conducting their fight with the employers.

The S. A. C. proclaimed the strictest *political neutrality*, declaring that they sought to organise all workers regardless of "religious, political or philosophical views". In the eyes of Syndicalists, however, "political" neutrality really means anti-parliamentarism. The S. A. C. refuses, both for practical and theoretical reasons, to take any part in political activities, desiring "to continue the fight for constructive organisational work without regard to political parties, religious beliefs, race differences or nationality". But members of the organisation have "full liberty" to take part outside the organisation in movements which, regardless of Syndicalism, are in harmony with their own political or philosophical views.

On purely trade union grounds the S. A. C. differs from the Reformist trade unions in that it has introduced a system of decentralisation, in harmony with the principle of self-determination. The primary organisations are known as "lokala Samorganisationer" (local associations) and comprise all the workers without distinction of skill or craft. These local associations are grouped together into concern sections, which may be likened to the "Workshop Clubs" of the Reformist trade unions. In every local association all the "concern sections" within a branch of industry, craft of industry are combined into a *syndicate*, roughly corresponding to the Reformist local groups of unions. The Syndicates of the various localities are grouped within the central organisation into *federations* and these again into *departments*. These last can best be compared with the industrial unions of the Reformist unions.

The methods of the Syndicalist organisations in respect of wage conflicts differ from those of the Reformists: they attach the greatest importance to "direct" action, and "direct" action with them takes the form of sabotage. The general strike has, as every one knows, played a great part in syndicalist propaganda; but Swedish syndicalists have never had a chance to put this principle into practice, because they have

never formed a sufficiently large proportion of the organised working class. Of recent times they have been fixing their hopes more and more upon the registration system mentioned in the preceding chapter.

In principle they are opposed to the conclusion of collective agreements, in the usual sense of the word. In cases where their organisations cannot avoid concluding written agreements with their employers and their organisations, they demand that the agreements shall be in force only "until otherwise arranged", that is, the agreements must not specify any definite period of validity. In a resolution passed by the S. A. C. Congress in 1925, they define their views on collective agreements as follows: "Such agreements are precisely the ones which are absolutely irreconcilable with a revolutionary economic-fight movement, because they play into the hands of the employers to a larger extent even than strike-breakers and traitors, and necessarily put obstacles in the way of good methods which can be adapted to changes in wage conditions. Besides that, they deprive the workers of almost every chance of attacking the employers at the right moment." The exaggeration in this description of collective agreements is of course very obvious: probably the aim is to cast suspicion on the methods of the Reformist Movement, and to convince the Syndicalist workers of the disadvantages of the type of agreement in question. In practice the Syndicalists do not object to concluding agreements with the employers, if this is the only way in which they can safeguard their economic interests.

When the Syndicalist Movement was first started, it was held that it could fulfil its functions without establishing the *system of benefits* resorted to by the Reformist Trade Union Movement. It was even considered that, from the Revolutionary-Syndicalist point of view, it is a blame-worthy act to create strike funds for the financial support of striking or locked-out workers, since such benefit systems are calculated to paralyse the sense of solidarity of the individual worker, and with it, his revolutionary instincts. It soon became evident, however, that it was difficult for strikers and locked-out

workers to manage without adequate financial aid. Hence the S. A. C. was forced to take measures to ensure its members such aid. First of all, the Syndicalists tried voluntarism: the local associations were invited to set up local benefit funds, and to render each other mutual assistance through the intermediary of the Centre. But it soon became clear that the voluntary system was not satisfactory. The S. A. C. Congress of 1925, therefore, had to choose between stopping all benefit activities, or taking the exactly opposite step of establishing a *compulsory* system. It chose the latter alternative. After fifteen years of dearly-bought experience, therefore, the Syndicalist Organisation in Sweden found itself landed in the "Reformist backwater", at any rate in the very important matter of trade union benefits. Those Syndicalists who object to this move prophesy that the introduction of obligatory contributions for benefit purposes will inevitably mean a certain amount of centralisation of activities generally. Swedish syndicalism will therefore be in peril of sacrificing one of its foremost principles, the doctrine of decentralisation.

In 1917 the Syndicalists started a special association for propaganda purposes: the association, known as "Den Svenska Fackoppositionen" (The Swedish Trade Union Opposition) was to do propaganda work for Syndicalist principles within the unions affiliated with the National Trade Union Centre and other Reformist unions; and, more especially, to win over the trade unions to the idea of transforming themselves into revolutionary fighting organisations, and to induce them to declare their "independence of and neutrality towards political parties". But very soon the "Opposition" was itself involved in political disputes, for Communism was beginning to make its influence felt among the more radical members of the trade unions. The new organisation therefore died a natural death before it had had time to do anything. It was succeeded in 1919 by the "Fackliga Propagandaförbundet" (Trade Union Propaganda Union) of the Leftwing Socialists, who were soon to become Communists. This association was created for the purpose of uniting all trade unionists holding

"revolutionary Socialist views" and encouraging them to spread within their respective unions or union branches the principles taught by the Communist International. The Propaganda Union was to be a centre for the clubs and cells to be formed within the trade union movement by the Communist Party in accordance with the notorious 21 Points laid down by Moscow.

The Communists had the advantage of starting their Propaganda Union in the midst of a period of exceptional unemployment, when there was naturally much discontent among the workers. But in spite of this the Union never did anything very striking, and never numbered more than 5,000 members. At the end of three years it collapsed altogether, although Communists continued their cell-building within the trade unions. A Trade Union Secretariat has been formed within the governing body of the Communist Party, and its function is to supervise and direct this work; in spite of which, however, the results are but meagre.

In Sweden also the Communists have carried on an extensive propaganda in favour of the united front. Several proposals were submitted by Communists at the Trade Union Congress of 1926 on this subject, but they were rejected. A resolution was passed approving the policy of the I. F. T. U. in regard to this question. The Congress also pronounced in favour of affiliation of the non-affiliated unions with the National Centre. The Executive is to make enquiries in order to ascertain whether the Syndicalist trade unions are inclined to abandon their activities and allow their members to be transferred to the "free" trade unions.

Educational Activities.

There has always been strong interest in education in the Swedish trade unions. Even the very earliest trade unions were not content merely to organise lectures for their members; they endeavoured also to satisfy the thirst for knowledge by means of libraries. Some trade unions had libraries even in the Eighties and Nineties: subsequently these pooled

and constituted the kernel of the Labour Libraries established throughout the whole country. When the Social Democratic Labour Party was formed, the educational work was taken over by the local sections of the Party. Later on, Youth Clubs and Youth Unions naturally formed the chief centres of education for the younger workers. Other useful supplementary educational agents were the Socialist Students' Association of Lund and Upsala.

At last it was realised that this growing activity needed a special organisation of its own. On the initiative of Rickard Sandler, the ex-Prime Minister, the Arbetarnas Bildningsförbund (A. B. F.) or Workers' Educational Union was formed on the 13th September, 1912, by representatives of the National Trade Union Centre, the Social Democratic Labour Party, the Cooperative Union, the Railwaymen's Union, the Printers Union, the Social Democratic Youth, and the Stockholm Workers' Library.

The A. B. F. is an "association of trade union, political, cooperative and cultural national organisations within the Swedish Labour Movement". Its aim is to establish libraries and to organise lectures within the Labour Movement, also to arrange for the purchase of books, and to organise and partially finance study classes and series of lectures. All the affiliated national organisations pay an affiliation fee of 5 Öre per member per year.

The management of the Union is in the hands of a "Representantskap" (council) which consists of representatives of the national organisations affiliated with the A. B. F., and co-opted members, selected by the Council by special resolution on account of the special interest which they take in workers' education". The Council nominates a *national Study Director* and an Executive Committee, which is responsible for activities. Local branches of the A. B. F. have been founded throughout the country by the Socialist and trade union local groups and other associations which are already affiliated with the A. B. F. through their national organisations. Each Local Branch is under the leadership of an *Educational Committee*, consisting

of representatives of the affiliated associations and of the classes. The Educational Committee appoint the managers of the libraries and an Executive. In each administrative district of the country *district organisations* have been formed, which are under the leadership of a District Executive. Special teachers have been trained for the purpose of advising and assisting the local branches and the district organisations.

Of great importance for educational work are the study circles arranged within the local associations and the *study circles* organised by the affiliated bodies.

According to the last Report on Activities of the A. B. F., covering the period between 1st July, 1924, and 30th June, 1925, local branches and libraries exist in over 800 localities, and also study circles. The number of libraries was 791, and there were 2,005 study circles, with a total of 25,496 students. The libraries comprise no less than 193,465 volumes; the number of loans in the year under review was 483,689. There were further 305 series of lectures, comprising in all 1,522 lectures. The subjects dealt with in the lectures were very varied: foremost were such themes as state and municipal politics, the co-operative movement, history, economics, and the trade union movement. At the Labour College at Brunsvig, there are every summer classes for the training of study circle leaders, the instruction covering 14 days, and the chief subjects thereof being economics, state and municipal politics, and the trade union movement.

Libraries, study circles and lectures are financed partly locally, and partly by grants from the State and the Provinces: the A. B. F. also renders assistance in material etc. During the period between 1912 and 1925, the total expenditure on book purchases, libraries and study circles was 722,687 kronen, the state and provincial grants for the same period being respectively 213,411 and 113,977 kr. The total cost of the lectures given during this period was 402,635 kronen, towards which the State contributed 97,000 kronen.

As we have seen, the National Centre comprises 34 trade unions and industrial unions, which are all affiliated ipso facto

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As we have seen, the National Centre comprises 34 trade unions and industrial unions, which are all affiliated ipso facto

with the Educational Union. In addition, the Union comprises the Cooperative Centre, the Socialist Party, the Syndicalist Trade Union Centre, the Socialist and Communist Youth Federations, the Communist Party, and various other Civil Servants' and Workers' Unions which are not affiliated with the National Centre. The total membership of the Educational Union was on December 31st, 1924, 933,404.

Intellectual Workers' and Civil Servants' Trade Union Movement.

The idea of association in trade unions has taken root even outside the genuine manual workers. But it is only in the last ten years that there has been any marked growth of modern trade unionism in these circles, and it owes its origin very largely to the great rise in the cost of living since the War. As soon as it became evident that no reliance could be placed on the "goodwill of the employers" in respect of remedies for the grievances from which all workers are suffering, certain circles of non-manual workers began to throw overboard some of their old prejudices and to consider whether they might not use the same methods of pressure which had for so long and with such undoubted success been practised by manual workers.

In navigation, for instance, the officers began to lay claim to a voice in the fixing of working conditions. Organisations catering for ships' officers, the Ships' Officers' Union, (consisting of captains and mates) and the Engineers' Union, succeeded in concluding a collective agreement with the Swedish Shippers' Association, the employers' union concerned. In 1921 the Engineers' Union even went so far as to proclaim a general strike in the merchant marine, because they could not come to an agreement with the Shippers' Association about salaries. At the beginning of 1923, when a new agreement had to be made, these two unions of ships' officers worked in cooperation with the ships' ratings' unions.

In industry, transport and handicrafts, there have for many years been two trade unions catering for managers and

foremen. In 1925 these were amalgamated into a single union, the "Sveriges Arbetsledareförbund" (Swedish Foremen's Union). There has never yet been any cooperation between this union and those of the manual workers, but it has nevertheless announced its intention of being neutral in strikes and lock-outs : which of course means that foremen must not and will not blackleg in such cases. The best organised groups of non-manual workers are however journalists, chemists, and musicians. The Swedish Musicians' Union belongs to the International Federation of Musicians, and has already resorted to a strike on more than one occasion. The Swedish Journalists' Union, founded in 1902, comprises journalists of all shades of political opinion, working for Conservative, Liberal, Socialist and Communist papers. Formerly Syndicalist journalists were also members, but they had to withdraw when the S. A. C. forbade its members to belong to any "bourgeois" trade union. Since 1919 the union rules have contained a clause regulating procedure in cases of wage movements and labour conflicts. The Union is wealthy : in unemployment, shortage of work, or labour conflict, it pays out benefit amounting to not less than 66% of the salary earned at the moment of ceasing work. Between it and the employers' association, the Union of Swedish Newspaper Publishers, there is an agreement of a collective character, known as the "Normal Contract for Newspaper Employees", and another providing for the pensioning of journalists. The attitude of the Journalists' Union to the Printing Operatives' Union is defined in the following resolution :

"The Swedish Journalists' Union stands entirely outside wage conflicts between newspaper printing works and the Swedish Printing Operatives' Union, so that on the one hand no member laying claim to union benefit may do typographical work, but on the other, all members may perform unhindered any kind of journalistic work, no matter where the type is set up and the newspaper printed."

The Swedish Chemists' Union has also for many years had a collective agreement with the competent employers' association. Bank clerks have had a union since 1887 : it is

the "Swedish Bank Clerks' Union". Up to 1919 this union was a typical "yellow" union, which would not dream of fighting the employers. But the rise in the cost of living has forced the union to give serious consideration to labour conditions: a demand has been submitted to the bankers for the establishment of negotiation machinery, to which, so far, the latter have turned a deaf ear.

In trade and industry there are also a few associations with more or less of a trade union character. The Commercial Workers' Union, which is affiliated with the National Centre, claims to be the only genuine trade union organisation catering for clerks and shop assistants engaged in trade and industry, but it has not yet managed to organise any considerable number of these workers. On January 16th, 1926, another union, the Union of Clerical, Technical and Commercial Employees was founded at Stockholm. The function of this union is to give aid to its members in unemployment, to act as a free employment agency for its members, and to provide loans in cases of "urgent necessity". A circular issued by this Union emphasises the fact that "there is no intention of supporting or maintaining a proletariat in indigence; the aim is to provide, against unemployment and its consequences, a form of insurance which shall not bear the philanthropic brand of relief work". It is too soon to forecast the future of this union, or to judge of its intentions as regards cooperation with already existing organisations, such as the Swedish Clerks' Union and the Women Clerks' and Despatch Clerks' Union, both of which cooperate with the Swedish Bank Clerks' Union and the Union of Insurance Employees.

An organisation which is desirous of being regarded as a "free" trade union is the *Swedish Authors' Union*. Two or three years ago this union agitated for the creation of a Cartel between itself, the Swedish Journalists' Union, the Swedish Draughtsmen's Union, and the Union of Booksellers' Assistants on the one hand, and the Printers' Union, the book-binders' union, and the lithographers' union on the other. The three

last-named unions assented to the proposal but the bottom fell out of it when the journalists refused to join.

Actors have for many years had a union known as the Swedish Theatre Union, which however is not a trade union in the modern sense of the word. During the period of the economic slump a Swedish Actors' Union was formed, whose functions were declared to be the concluding of agreements with theatre directors concerning conditions of appointment. Little interest, however, was taken in the union, which collapsed after a short time.

For teachers there are no less than four unions. The oldest of these was founded in 1880, and is called the Swedish Elementary Teachers' Union; but it cannot be considered as a genuine member of the trade union movement. The same applies to two another unions, the Elementary Women Teachers' Union, and the Union of Women Teachers of Infant Schools, formed respectively in 1906 and 1916. But another union, the Union of Elementary School Teachers, formed in 1919, is really justified in claiming to be a modern trade union organisation.

There are many organisations catering for higher-grade civil servants. 33 of these may be described as national, and since 1917 these have been combined into a central organisation known as the Sveriges statstjänstemannaförbund⁽¹⁾ (the Swedish Civil Servants' Centre): this Centre also comprises 12 local associations. The Centre represents civil servants in their dealings with the authorities, i. e. in questions of salary, conditions of appointment etc., affecting the whole of the service. The Centre has proposed that the Government shall take steps to introduce negotiation machinery.

Municipal officials are organised in the Swedish Municipal Officials' Union which, like the State Civil Servants' Associa-

(1) Since 1923 there has been a similar organisation for the so-called "lower-grade" civil service groups. This is called the "Centralförbundet för Statstjänare" (National Federation of Civil Servants): it comprises 11 unions not affiliated with the National Centre.

tion, has made special efforts to obtain negotiation legislation and procedure.

It is unfortunately impossible to obtain precise statistics of the memberships of the above-mentioned organisations. It may safely be assumed, however, that both state and municipal officials are well organised. In some respects they are perhaps better organised than manual workers, but it will certainly be long before they will form as important a part of the modern Trade Union Movement.

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**THE TRADE UNION
MOVEMENT OF
GERMANY**

by
RICHARD SEIDÉL

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I. The Beginnings of the German Trade Union Movement.

Economic Conditions and Law in the First Half of the 19th Century.

It was not till the Forties of the Nineteenth Century that it became plain to all that the capitalistic form of economic and factory life had triumphed in Germany over the narrow guild system and the individualist feudal tendencies of German statecraft. It was Prussia which, inspired by Adam Smith, first led the way towards the reform of economic law: she has enjoyed since 1807 industrial freedom, liberty of contract, and freedom to sell or bequeath property. The defeat of Napoleon was succeeded, it is true, by the revival of guild organisation in many parts of Prussia and other German states; it was a natural accompaniment of the revival of feudalism in politics. But there were extensive regions of Germany where the newer economic law was able to hold its own, and the example set by these regions made its influence felt in the more backward areas. The drain of the Napoleonic Wars on the economic resources of the country was for long, however, an obstacle to the growth of capitalism, for Germany had not the wherewithal to procure the new magician's wand in the sphere of production—machinery! Indispensable precursors to the establishment of the capitalist order of society in constitution and law were, firstly, a wearisome process of financial accumulation, and secondly, but simultaneously, a fight against the guild form of organisation and the narrow economic outlook inherent in small states. But progress, although slow, was sure. As early as 1816, the Leipzig Fair issued a demand for the standardisation of the customs system of all Germany. For the very good reason that her treasury needed filling,

Prussia became more and more accommodating in meeting the demands of the capitalist order of society. By 1818 she had abolished inland customs, and had even lowered her tariff for foreign imports. One by one her smaller neighbours followed her example, so that by January 1st, 1834, it had become possible to found the German Customs Union, even though it did not include the Hanse towns, Oldenburg, Mecklenburg, Hanover or Austria. 1845 saw therefore the establishment of an industrial code which was valid for the whole of Prussia and was based on industrial freedom.

There was progress also in traffic and communication. In 1816 Prussia had only 522 miles of artificially-constructed roads, but by 1831 she had 1147, and by 1845 2300. In 1835 the first railway, from Nuremberg to Fürth, ran its first train amid the terrified amazement of the population. The line was only 6 kilometres long, but by 1845 there were already 230 kilometres of railway lines in Germany, and by 1850 over 6000. Between 1837 and 1848 six jointstock companies were formed in Bavaria, with an aggregate capital of 6 million marks: in the following decade, from 1849 to 1858, 44 such companies saw the light, with a capital of 145 millions. In Prussia, between 1834 and 1851 (a period of 17 years), 12 jointstock companies were founded, with a capital of 23 million thalers¹⁾: but in the next five years (from 1852 to 1857), no less than 59 were started, with an aggregate capital of 70 million thalers. The above concerns were engaged in mining and smelting, railway traffic, steam navigation, engineering, sugar-refining, and spinning.

Changes in Social Structure.

The birth of German capitalism was now at hand. It was accompanied by the well-known changes in social structure which always attend its advent. The "master" of the guild times had gradually lost his place as lord of the process of production: he had already often sunk into a home-worker, or, at best, a job-master. The journeyman of the guild epoch

¹⁾ A thaler = a 3 mark piece.

had long since lost the practical certainty he had once possessed of being a master himself some day : he had become no more than a wage-worker in the employ of his master. The modern proletariat was now in its birth-throes : it consisted of the two above-named classes (the masters who had sunk to the grade of home-workers, and the journeymen who had lost all prospect of ever being other than wage-workers) and of a new third class, the wage-workers of the factories. This change in the economic position of craftsmen involved a change for the worse in their social position and prestige. For the factor determining the quantity and quality of economic output had ceased to be the highly artistic, "masterly" outcome of human skill and training ; it was now the excellence of the new instrument of production, the machine. The rule of capital had begun, and with it the relegation of the worker, (the representative of human labour) to a lower place both as member of the social order and as man.

Obstacles to the Growth of Trade Unionism.

The Prohibition of Association.

General social conditions were now present for starting a Labour Movement for the improvement of the social situation of the workers. The social class had arisen which was to create the trade union idea and the trade union organisation, i. e., the propertyless wage-workers. But some time was still to elapse before the Trade Union Movement, in conjunction with the Socialist Labour Movement, could actually take on a concrete form, and become capable of collective action ; for the same new social order which created the social conditions requisite for a Labour Movement also created elements opposed to it. A factor which had long had the effect of retarding progress was the severance of the proletariat into three sections, the home-workers (formerly masters), the journeymen and the factory-workers. It was long before these learnt to recognise the fundamental identity of their position and interests : they were held back from doing so partly by the specific differences between their respective

positions, and furthermore, by the survival of the narrow guild tradition of the separation of master and journeyman. An the loss of prestige, both as a man and as a member of society lowered the self-respect of the worker : it was only slowly therefore, that he learnt to rely on his own strength and his consciousness of his own value : and such self-reliance was essential if he were to be capable of taking up the fight against a rapidly-advancing capitalism. The example of the old journeymen associations, which might have kindled in him the needed self-confidence, had very little influence on German workers during the time of which we speak. Between the period when the journeyman system was most flourishing, and the time when capitalism won the upper hand intervened a period when economic life was governed by regulations inspired by mercantilism, one of the most important of which was the prohibition of association. The old journeymen's associations fell victim to these regulations. Earlier attempts by the national government to suppress these journeymen's associations had failed on account of the weakness of the national government. In Prussia, the question of the right of journeymen to associate and hold meetings was decided against them by the General Prussian Code of 1794 : the prohibition of the right of association was further maintained by the Industrial Code of 1845. In the other German states it was the same thing. The prohibition of association was taken over from the period of mercantilism into the epoch of industrial freedom, since it suited the latter just as well as the former system : and these efforts of government to secure "freedom in labour relations" now had their full effect throughout the whole country. Hence it was but seldom that modern trade union organisations could be built up on the foundation of earlier associations of the same nature, for only miserable remnants still survived of the once powerful journeymen's guilds.

Movements of the "Forties".

In the Thirties, and the Forties before March, 1848, there were however a few groups which defied the anti-coalition

laws, and stood as it were midway between the old journeymen's movement and the modern Trade Union Movement. In 1838, the Leipzig printing operatives created a Committee, which submitted a draft wages agreement to the employers in 1840 : in the same year, the bricklayers of Hamburg proclaimed a strike : in 1844 there was a rising of the Silesian home-weavers, and in that year also, a workers' and craftsmen's union was started in Berlin : in 1845 similar associations were formed in Leipzig, Mannheim, Bremen, Altona and other towns. In these forms of organisation, the structure and the ideas (or to speak more correctly, the ritual) of the old journeymen's associations were still in evidence, but they are already linked up with the earliest beginnings of modern trade union thought. Through these associations, trained workers in the employ of masters came into touch with the ever-increasing masses of the factory-workers, and the draft wages agreement of the Leipzig printing operatives is a sign of the first beginnings of trade union forms of conflict. Then, when the revolutionary wave of 1848 added its impetus to the progress of the working class, and, by inspiring it with the spirit of political freedom, created better conditions for trade unionism, the guild journeymen were also able to render many a useful service to the new struggle for organisation.

1848.

After the March revolution, workers from all sides streamed into the meetings, which resulted in the founding of new unions whose task, as was now plain, was to work for better wages, shorter working hours, and the limitation of apprenticeship, but which also sought defence against the competition of machinery. Sometimes meetings and the founding of associations would be the direct result of economic conflicts : sometimes the conflicts themselves, which were now widespread throughout the country, would be started in response to appeals from these loosely-connected groups. Nearly all these movements were purely local in character : they were spontaneous stirrings, without rule or form.

But some of them were more important. First among these was the „Arbeiterverbrüderung“ (Labour Brotherhood), which sprang out of the Berlin „Labour Club“, itself a creation of the March Revolution. Stephan Born, a printing operative, who had seen a good deal of the world, and had met Karl Marx at Brussels, was their leader. Strictly speaking, the club was political, but it had also trade union aims. In his paper „Das Volk“, Born issued in 1848 an appeal for a *Labour Congress*. The atmosphere of hope created by the rapid spread of the local movements was favourable to the suggestion: the Congress was convened. It met, on August 20, and consisted of 40 delegates, representing 31 labour unions from all parts of the country, and 3 Labour Committees. It decided upon an extensive social-political programme, containing as one of its provisions a demand for a maximum ten-hour day, and it further demanded freedom of association.

The Congress further led to the founding of the Labour Brotherhood. The Labour Brotherhood was intended to pursue the same ends as the Berlin Labour Club, but to work on a broader basis. According to the Rules of this central organisation, trade associations were everywhere to form the basis of the movement, and delegates of these associations were to combine to form Local Committees. It was hoped in this way to establish a form of organisation which should be adequate both for political and trade union action. At the head of the movement was the National Committee, which at once displayed great activity. Even though there was for some time to come more planning and wishing than actual achievement in all this activity, and though the success of a movement which associates political and trade union action so closely together may seem doubtful to us to-day, still this was the very first appearance of the idea of a national labour organisation with trade union aims.

A second attempt was made elsewhere at the same time to realise the same idea: but this time the form of organisation was to be that of a purely trade union craft organisation. In April, 1848, printers' operatives had gone on strike in several towns, the printing works' owners having refused their

demands for a rise of wages. Stephan Born was active in the matter, but it was not he, but Heidelberg printing assistants who invited several representatives of South German towns to attend a discussion of trade questions affecting them in common. The conference was held on April 23rd, and it convened at Mainz on June 11, a "national" (in that age of particularism this word still had a flavour of rank revolution) congress of assistant printers. The congress was attended by 44 delegates: it adopted a draft wage tariff, providing for an agreement fixing working conditions on a national basis; and it also decided to found a "National Printers' Union". Only operative printers were to be admitted to the union.

The third attempt at organising national trade unions was the founding of the National Assistance Union of the *Cigar-workers*, which arose in connection with the founding of the Labour Brotherhood. The Union even held a second congress in September, 1849, so that it too constituted a notable beginning of the trade union movement.

After 1848.

Soon after, dynastic separatism was restored, and the propertied classes, estimating the results of 1848, came to the conclusion that it had been a "mad" year and it would be better to submit without a murmur to the constitutions, modelled on those of the feudal age, offered by the royalties of the various states, especially Prussia, and cease to strive for ideals which were of no use to business, or to try a fall with a free working class in a united and free German state. These promising beginnings of a trade union movement were therefore extinguished in the stagnation of the reaction which spread over the whole length and breadth of Germany. The prohibition of liberty of association was still unrepealed, and it supplied a useful legal instrument for the suppression of the unions: it was now applied with greater strictness than ever.

II. Early Growth.

1. The Sixties.

The National Union and the Workers' Educational Unions.

But no retrogressive political power can avail to stop a transformation of social structure which is going forward in the innermost recesses of society. No power is strong enough to stand out permanently against the cravings born of such transformation, the cravings of new sections of society for their right place in that society, and their due recognition in the eyes of the law, for such sections must have a legal position if they are to obtain satisfaction of their vital impulse towards free development. Even Prussian reaction was not strong enough for that. In numbers and importance, the wage-workers necessarily had to keep pace with the rapidly growing spread of capitalistic forms of production. And they were too heavily oppressed to be content with tranquillity. After a period of death-like calm, new organisations began to be founded here and there, and spontaneous strikes took place. Actions such as these were at first only manifestations of the dull vague longings of the working class, urged on by the economic oppression from which they were suffering, to attain higher social appreciation, but at the then low stage of development, they could only be chaotic and formless.

The first steps towards forming labour unions on a wider basis were taken by the middle classes. When the extremest phase of the "junkier" reaction was over, the middle classes began to interest themselves eagerly in politics. At the end of the Fifties, the National Association, a political party of the Liberal middle classes, came into existence. But no such national movement as that which was planned by the National Association was now possible without the working class, and therefore the Association created workers' educational unions

as a special branch of its activities. A secondary motive for this action was, however, to provide an outlet for the manifest hankerings of the workers after organisational cooperation, and so to forestal any independent action on their part.

Lassalle's Open Letter.

Some time passed, but at last the educational activities which had been set on foot by the leaders of the National Association in the Workers' Educational Unions no longer satisfied the workers. They began to desire more and more fervently to judge for themselves concerning their social position, its causes, and the ways and means of improving it, and naturally these desires found little satisfaction from the representatives of the National Association. The idea of a general Labour congress again arose: it made its appearance simultaneously in the workers' educational unions of Berlin and Leipzig. A committee appointed by the Leipzig Union, to which belonged the cigar-maker *Fritzsche* and the shoemaker *Vahlteich*, worked with great energy for the convening of a congress. The Committee applied to *Ferdinand Lassalle*: and it was in compliance with a request from the Leipzig workers' representatives that Lassalle expressed his thoughts on the Labour Movement in his "Open Letter to the National Committee concerning the Convening of a General Congress of German Workers at Leipzig".

The "Open Letter", one of the most important historic documents of the German Labour Movement, was dated March 1st, 1863. It contained the whole of Lassalle's programme, for which he now began to work by means of a much more intensive propaganda. He counselled the workers to form a political party of their own, for the purpose of obtaining universal, equal and direct suffrage. On the economic side, he said, the workers were suffering from the "iron wage law", through which the whole of the surplus of production went to the employers. There was only one way of stopping this: the working class must be their own employers, and this could be done, with the aid of the State, by means of "production associations". He rejected consumers' associations as

useless, *nor did he recommend trade union activity*, for both were inconsistent with his belief in the working of an iron wage law. His rejection of trade unions was regarded by his followers as gospel, as was everything he said.

In spite of this, however, the movement initiated by Lassalle was one of the sources of the German trade union movement. He was in so far in sympathy with trade unionism, that he was the first to show German workers the way to self-respect in the higher sense of the word, making them realise that they were a specific force in society, and teaching them to recognise their social position and economic importance. For from the very beginning the German trade unions, although they had not expressed or even consciously realised the fact, had nevertheless been seeking to help the working-class, regarded as a specific force in society with social claims of its own, to secure the recognition due to its importance in the general economic order.

The second source of the German trade unions is to be found in the workers' educational unions of the National Association. They brought the workers together, and gave them opportunities to meet, know and converse with each other. This meant a very great deal in the days of the prohibition of trade union liberty. Naturally, general social conditions and working conditions soon became the most important subject of conversation among the workers in these meetings and it was impossible to prevent this.

Repeal of the Prohibition of Trade Union Liberty.

When the National Association and the Workers' Educational Unions were founded, and the first traces of union-forming and wages disputes again became visible, the prohibition of trade union liberty was everywhere in force. Its repeal was one of the foremost demands of the working class; and Lassalle was one of the advocates of the reform. In Saxony prohibition was abolished as early as 1861: so that Saxony, and especially Leipzig, with its very alert workers, became in those times and, thanks to tradition, continued later to be the central point of the Movement. In Prussia the Pro-

gressive Party opposed the repeal of prohibition long and resolutely, so that in that state the reform did not take place until the establishment of the Industrial Code of 1869.

The First National Unions.

The attention of the working class was turned anew towards the question of the Trade Union Movement by the founding of certain new unions. This time, too, the pioneers were the tobacco-workers, and the printers. The idea of founding a national organisation arose simultaneously in Stuttgart and Leipzig, but only the Leipzig plans came to fruition. Leipzig was the scene of the activities of Fritzsche, a follower of Lassalle; he and a few comrades issued an appeal inviting cigar-workers to attend a meeting to discuss prison work and the restriction of it (for it had a very prejudicial effect on wages), the centralisation of the existing benefit funds, and the founding of an unemployment insurance fund and a national employment office. It will thus be seen that the questions proposed by Fritzsche for discussion were all related to the practical needs of the workers—they were all questions which, at first, of course, only cursorily, but yet with astonishing accuracy, foreshadowed the future lines of trade union activity. After coming to an agreement with the Movement which had started in Stuttgart, the Congress was convened at Leipzig at Christmas, 1865. The National German Cigar-makers' Union was founded, and instructed to deal with the questions specified by Fritzsche in his appeal.

The *printing operatives'* movement also started at Leipzig. There had been since 1862 a Vocational Training Union for compositors and letter-founders: as early as 1863 this union had issued a journal of its own, which bore a title familiar in Germany to-day—that of the "Korrespondent für Deutschlands Buchdrucker und Schriftgießer" (Bulletin for Germany's Printers and Letter-founders). The words in the title "for *Germany's*" (für Deutschlands) are an interesting indication of the early date of the wide plans of the Leipzig printing operatives.

In 1865 the movement was roused by a three months' strike of the Leipzig printing operatives : on May 20, 1866, the printing operatives also called a congress at Leipzig which led to the founding of the German Printing Operatives' Union.

These examples were followed by the *tailors* in 1867, and the *wood-workers* in 1868. This forward progress of the German working class was accelerated by news of the more advanced British Trade Union Movement.

'Congresses of the Workers' Educational Unions.

The Workers' Educational Unions of the National Association had meanwhile had time to develop, and their working-class leaders were able to put them to good use. Lassalle's propaganda too had kindled a greater activity and a more eager spirit of expectation among the members of the educational unions. In 1863 Sonnemann, publisher of a Frankfort newspaper, suggested that there should be closer touch between the educational unions among themselves, and to this end a number of unions combined to convene the first congress of the German workers' educational unions, which was held at Frankfort-on-Main on June 7, 1863. It marked a new and important stage in the movement, this creating of national relations between many workers' unions. Similar meetings were held every year in the following years : at Leipzig in 1864, at Stuttgart in 1865, and at Gera in 1867, that of 1866 having to be dropped on account of the war¹). The agenda and discussions at these congresses show the steady emergence into the foreground of questions which were of direct practical interest to wage-earners. But the attitude adopted at these first congresses is also evidence of the helplessness felt with regard to them. The influence of Lassalle mingled with that of the National Association, and for a time the result was great confusion. For instance, there was a

¹) The reference is to the Austro-Prussian War of 1866.

demand at Stuttgart for trade union liberty, but there were also warnings against wage movements; profit-sharing and piecework were recommended as the best means of raising the workers' incomes.

In the meantime, Wilhelm Liebknecht and August Bebel were making their way to the front in politics. Liebknecht had lived in England on terms of intimacy with Marx and Engels, and knew the British trade unions. He was Bebel's teacher. Bebel held a prominent post in the workers' educational unions, and his influence was great. Like Lassalle, but in opposition to him, he endeavoured to formulate a definite political programme for an independent Labour Movement, which he planned to develop from the educational unions.

*The Nuremberg Congress, and the Founding of
International Trade Corporations,
(Gewerksgenossenschaften)*

A decision as to the future activities of the workers' educational unions was made at the Nuremberg congress of 1868. Those delegates who, with Bebel, were planning to bestow upon the Workers' Educational Unions a programme of their own, which should be Socialist, were in the majority: they had 69 votes, representing 61 unions, while the 32 unions against them cast 46 votes. After an address by Robert Schweichel a programme was adopted, in which the Congress expressed its approval of the programme of the International Labour Association which had been founded in 1864, the First Socialist International, and decided upon affiliation with it. A further resolution proposed by Sonnemann was also adopted, which urged members, especially the Executive (and with it the General Council, whose president was again Bebel) "to work vigorously for the concentration of the workers in *centralised trade corporations*".

Bebel now set to work to carry out the resolution of the Nuremberg Congress. In November, 1868, he published his "*Musterstatut*" (model rules) for German trade corporations, another of the most important events of the German Labour

Movement. In their broad outlines the Rules recommend that form of internal organisational structure which is best suited to the duties and nature of trade unions, and this is the form which has been retained down to the present day. They were strongly democratic: they recommended that local organisations should first of all be formed, and they conferred upon these many independent functions. But they were also centralistic, for they demanded the amalgamation of the local unions into national unions, and even in those early days they conferred upon the national executives the right to make decisions concerning the beginning and ending of labour stoppages. The Rules also provided for aid to be given in strikes and victimisation cases, and prescribed the establishment of sickness, burial, invalidity and travelling funds.

In Saxony, whence the Movement had received its strongest impetus, it achieved also its first successes. Early in 1869 the International Manufacture, Factory and Handicrafts' Corporation was founded: also the International Book-binders' Union, and the trade corporation of the Miners and Smelters. They belonged to the ranks of the Workers' Educational Unions.

The National German Labour Congress of 1868.

The Founding of the "Allgemeiner Deutscher Arbeiterschafteverband" (National German Working-class Union).

But another leader, J. B. von Schweitzer, who had been president of the "Allgemeine deutsche Arbeiterverein" (National German Workers' Association) since the premature death of Lassalle, now came forward to express his views, (which differed both from those of Lassalle, and from those which he himself had formerly held), on the question of trade unionism, (which had now become one of absorbing interest), and to take an active part in the young movement. On August 27, 1868, little over a week before the opening of the Nuremberg Congress of September 5, he issued from Hamburg, together with Fritzsche, but in opposition to the National Executive of the "Allgemeine deutsche Arbeiterverein", an appeal "To the Workers of Germany!", in which he strongly urged liberty of

association, and admitted that it was urgently necessary to have "a comprehensive organisation, resting on firm foundations, of the whole of the working class of Germany, to be founded by means of and to exist for the purpose of joint action *in the form of stoppages of work*". "For the purpose of founding or consolidating and standardising such general trade unions . . . in brief, for the purpose of discussing and arranging everything connected with stoppages of work, we convene a National German Workers' Congress for Saturday, September 27, 1868, at Berlin."

Schweitzer's plans were carried into effect. The Congress was attended by 205 delegates from 56 trades: they represented 142,008 workers of 105 localities—no inconsiderable number for those days! The Congress decided that, in accordance with a specific scheme, 12 "Arbeiterschaften" (trade unions) should be founded: and that not only should these combine to form the "Allgemeiner deutscher Arbeiterschaftsverband", but they should also be strictly subordinate to the central national body. Special meetings held in connection with the Congress founded: (1) the National Corporation of Mining and Smelting Workers (president Tölcke, Iserlohn); (2) the National German United Metal Workers (president Louis Schulze, Hannover); (3) the National German Corporation of Manual and Factory Workers (president Klein, Elberfeld); (4) the National German Dyers, Weavers, and Manufacturing Workers (president Christian Bahne, Oberbarmen); (5) the German National Boot and Shoe Operatives' Union (president Louis Schumann, Berlin); (6) the National German Bakers' Union (president Kahlbaum, Berlin); (7) the National German Book-binders and Leather-workers etc. (president Peter, Berlin); (8) the Union of German Woodworkers (president York, Harburg); (9) the National German Bricklayers' Union (president Wahl, Leipzig). The president of the Allgemeiner deutscher Arbeiterschaftsverband was Schweitzer, the first vice-president, Fritzsche, and the second vice-president Klein of Elberfeld.

The Beginnings of the Hirsch-Duncker Unions.

A certain Dr. Max Hirsch, who had already proved a failure in the Workers' Educational Unions, was present at the congress, and did his best to lure the infant movement into the backwater of the Progressive Party. At the congress he was at the head of a group of 12 engineering workers of Berlin (the Berlin engineers' union was in sympathy with the Progressive Party), but he and his group were responsible for disturbances at the very beginning of the congress, and these led to open quarrels, so that Hirsch and his followers left the Congress, and proceeded to found the trade union movement now known as the Hirsch-Duncker Movement, Hirsch finding support from Duncker, a manufacturer.

2. From 1868 to the Anti-Socialist Act.

The Result of the Party Struggles.

So the important period of German trade unionism which begins in 1868 opens with disruption. In the hope of securing unity, Bebel and Liebknecht at once made an offer to arrange things with Schweitzer, but the latter rejected the suggestion. This decision of his, and his own future conduct and that of his friends was proof that the followers of Lassalle, inwardly faithful to their master's teaching, did not yet realise that the trade unions had an importance of their own. They had set to work to found trade unions, not for the sake of the unions themselves, but in the hope of drawing into their own political Movement the active young workers of the infant Trade Union Movement, and those who were foremost in labour stoppages. They forced the vigorous new life of the trade unions into channels dictated by the interests of the political party.

The effect of this was twofold: it weakened the young trade unions and it dissipated their strength: this it did partly from the very fact of disruption, and also because, being drawn from the outset into the fight between the two wings of the Social Democratic Party, the trade unions were by the

force of circumstances compelled to enter into very close—perhaps too close—relations with the political movement. They took sides in this struggle, because they *were* one of the sides, and, in point of fact, the actual point in dispute. Their own fate was thereby closely linked up with that of the political movement. This meant both that the internal development of the Party determined that of the trade unions, and also that the government made no distinction between them and the Party. The closeness of their relations with the Social Democratic Party had advantages and disadvantages for both sides, i. e. for the Party and the trade unions. The fact that from the very outset the trade unions adopted Socialism as their faith meant that from their youth up they drew in strength from its ideas. But the relations were too close: and this gave rise later to many disputes as to the form which these relations should take, and such disputes were harmful to both sides.

Conflicts with the Police and the Law.

From the legal point of view there was in principle no impediment to the growth of trade unions and their conflicts. Even in Prussia the prohibition of trade union liberty was abolished in 1869. The war of 1870-71 did little to check trade union growth, and it was followed by great economic progress: between 1870 and 1873 958 jointstock companies were founded with a capital of 3600 million marks. This halcyon prosperity was followed by a natural reaction in the form of the bankruptcy of many unstable companies, but this phase did not last long, for from now on there set in a period of steady growth for German industry, which was favourable to trade union development.

All the greater, however, was the displeasure with which the police and the magistrates watched the growth of trade unionism. The founding of the German Empire had made the Prussian Industrial Code of 1869 that of the whole German State: it did indeed grant trade union liberty, but it did so, as we shall show later, in an ambiguous way. The ambiguity

offered pretexts for the police and magistrature to protect blacklegs and to prosecute unions, especially as trade union liberty was far from being firmly established in most of the German states. *Tessendorf*, a public prosecutor, organised systematic guerilla warfare against the unions on this basis. He was untiring in his invention of legal subtleties, and in the ingenuity with which he made use of many and varied methods, ranging from a mere refusal of permission to hold a meeting, to the suppression of entire national unions and the prosecution of the members of their executive. His pretexts for such action were sometimes the need for protecting blacklegs, and sometimes the allegation that trade unions were political associations, and as such, subject to the severe provisions of the Association Acts framed to prevent organisation. His era began in 1874. Besides this, employers' associations had meanwhile begun to be formed to counter the efforts of the unions: already they were founding factory welfare institutions, believing that this would be a means of preventing "discontent" among the workers, and would stop the growth of trade unionism.

The Leadership of Schweitzer.

Despite everything—disruption, *Tessendorf* and the employers' organisations—the young trade unions soon showed an astonishing capacity for growth. But of the wing founded by *Schweitzer* this is true only of a short period and with many reservations.

The "Arbeitschaftsverband", the national organisation of the unions which were adherents of *Lassalle*, had held its first congress at Cassel in 1869. The congress had been attended by 100 delegates representing 11 national unions and 35,252 members: the total membership was estimated at about 50,000.

The treatment of the unions by the "Allgemeiner Arbeitschaftsverband" was however not consistent, and, still more, not even honest. *Schweitzer* was a friend of the unions because he hoped to use them in the interests of the political

movement. Others, headed by Countess Hatzfeld, the friend of Lassalle, were their open enemies. They believed it to be their duty to guard the purity of the intellectual heritage of Lassalle. When these antagonisms strengthened, and especially when they became a danger to Schweitzer's domination of the Party, the latter came to an agreement with the Hatzfeld-Lassalle group, thereby sacrificing vital interests of the unions. Thereupon the presidents of four large unions (Fritzsche of the tobacco-workers', Schumann of the boot and shoe operatives', York of the wood-workers', and Schob of the tailors' unions) seceded from the "Allgemeiner Arbeiterschaftsverband": the poison of division spread through the federation, paralysing its work, and its attraction for recruits. Nearly all the unions split into two.

Eisenach and the Trade Unions. — Growth of the Movement, and Ending of the Divisions.

A different story, however, is that of the growth of the trade unions when brought alongside of the Social Democratic Labour Party (Bebel, and Liebknecht, known as the "Eisenach leaders", from the congress at Eisenach (August 7—9, 1869), to which the party owed its founding): they then began to grow from below, and although closely connected with the political movement, yet they were less under its immediate domination, and were able to direct their policy in accordance with their *own needs*, those of trade union conflict, whence they became more healthy and more capable of adding to their own strength.

As early as 1870, York, a carpenter, who had joined the Eisenach group, was advocating the formation of a federation of all the trade unions, such as was later effected when the "Generalkommission der Gewerkschaften" (National Trade Union Committee) was formed. It was due to his initiative that in 1872 a trade union conference met at *Erfurt*, which was attended by representatives of other trade unions besides those of the Eisenach group. York's plans were approved by the conference, but difficulties with the police prevented his ideas being

put into effect at once. In 1874 at a trade union conference held at *Magdeburg*, the York federation was created on a stronger basis. The Wood-workers' Union, the International Metal-workers, the National German Tailors' Union, the Bricklayers and Carpenters' Association, the Boot and Shoe operatives' Association, and the National German Saddlers' Union, which were represented at the Conference, combined to form a federation. York was their leader. This time internal trouble soon arose, which hampered growth. Then in 1875, York died, leaving his creation, the federation, to make its own way in the world.

In the meantime, the two wings of the political movement had been moving towards union, which was consummated at Gotha in May, 1875. This relieved the unions of the hampering curse of party dissensions, and they were free to go forward with the work, already begun, of their own concentration. On May 25, 1875, a conference of trade unions was held at Gotha, in connection with the Amalgamation Congress of the Social Democrats: 12 national unions were represented, and a resolution was adopted, making amalgamation of rival trade unions compulsory, and thus initiating an active movement towards fusion. In 1877, Geib of Hamburg published statistics of the trade union movement: it stated that there were 30 unions, 25 of which had members in more than one locality. The unions had an aggregate membership of 50,000, distributed over 1300 localities. The memberships of the larger unions were as follows: tobacco-workers 8100, printing operatives 5500, cabinet-makers 5100, metal-workers 4400. The average monthly income of the printing operatives was 18,276 marks: that of the tobacco-workers up to 5000 marks, and that of the cabinet-makers 1600 marks. Already 16 organisations had journals of their own.

Geib took up again York's schemes for greater concentration. The discussion of the idea led to the trade union conference at Gotha, 1878. The chief task of the conference was to make arrangements for a national trade union congress, which it decided to convene at *Magdeburg*, for Whitsuntide, 1878. All the preparations had been made for this congress,

which was to effect the united leadership of the movement, when suddenly the Anti-Socialist Act put an end for the time to all these rosy plans for the future.

Internal Organisation : the Objects of the Unions.

In organising internally, the trade unions showed from the outset that they had a clear vision of what was needed for practical policy. The early date at which efforts had been made to combine the local organisations into national unions, and the success of these early efforts, had entailed an exact demarcation of the respective competencies of local and national union authorities, and had early fostered a general tendency to confer wide powers upon the national authorities. A question of the utmost importance was the careful defining of the relations between the local and national bodies in respect of the *leadership of wage movements*, a point of vital interest to the national bodies. The strike regulations were the most weighty, and at the same time the most thorny points of the Rules : hence it was extremely necessary, but also extremely difficult to adjust as expediency demanded the rival claims springing out of the democratic right of the local members to self-government, and those of responsible national leaders, who have to consider the interests of the movement as a whole, and to plan ahead of the present moment. Schweitzer's tendency towards rigid centralisation pulled more than its due weight here, more in fact than was expedient even for the attainment of the objects of a trade union organisation. Under Schweitzer's Rules not only had the national union to be consulted before a decision to stop work could be made locally, but even the executive of the "Arbeitschaftsverband", the national centre, as we should say to-day. Before a strike could be begun, notification of it had to be made to the "executive" of the national authority, that is, to Schweitzer himself, and executive and general council would then discuss and come to a decision concerning the proposal. The strictness with which the local groups were thus subordinated to the opinion of the highest authority was not intended merely to guarantee rule

and order, and to prevent ill-considered strikes without prospect of success ; it was also calculated and, in fact, deliberately intended to check, as far as possible, *all* strikes, or to keep them within the bounds compatible with Schweitzer's own interests (which were mainly political), if indeed it suited him to allow them at all.

Bebel's model rules, on the other hand, held a much truer balance between the local and national organisations of the trade unions : they met the needs of trade union struggle, because Bebel had only these in view, and no secondary considerations had any weight with him. His Rules allowed local branches sufficient elbow-room for independent action and conferred a certain degree of power upon local executives. The latter had indeed to notify the beginning of a movement to the national executive, which might also intervene if a strike had already been started, in order to bring it to a successful end as soon as possible, but the decision was only in the hands of the national executive, if more than half the members of the local organisation were concerned in the object of the strike. It is worthy of note that in these model rules Bebel already foresaw the possibility of an independent court of arbitration for the settlement of industrial disputes.

In propaganda for the practical objects of trade union conflict, the shortening of working hours and the raising of wages came then, as now, far in front of any others, but other objects were not entirely absent. Bebel's model rules, for instance, declared it to be the duty of the unions to organise employment exchanges, an idea which had also been eagerly discussed at the Trade Union Conference at Erfurt in 1872. The collective fixing of conditions of work by means of a collective agreement was already one of the usual demands, and it had even come within the range of practical possibilities, the first printing operatives' wage agreement having been concluded as early as 1873. And when once the vigorous and energetic York had, at the Social Democratic Congress at Stuttgart, 1870, recommended the workers to try to exert some influence on legislation, many unions soon began to exercise such influence through petitions, or by passing reso-

utions at meetings. Little by little, therefore, the young movement rapidly increased its scope, so that early in its career, it had made itself responsible for a long array of urgent duties. And every one of these tasks, whether actually begun or only discussed in these early days, yet pointed with unerring finger to the path which the later movement was to tread. But for the moment its onward march was once more checked by the Anti-Socialist Act.

3. Under the Anti-Socialist Act.

In May and June, 1878, attempts were made to assassinate the German Emperor. Bismarck laid the blame upon Social Democracy, and on October 19th he succeeded in getting through the Reichstag, by 221 to 149 votes, an "Act against the Activities of Social Democracy, which are a Public Danger", which enacted that associations pursuing Socialist aims, and tending to undermine the existing political and social order should be prohibited from holding real or personal property, and their property should be confiscated: it also provided for the breaking up of Socialist meetings and the deportation of Socialist agitators. The country was placed under "Minor"¹⁾ Emergency regulations: persons engaging in the activities denounced were liable to fines ranging from 500 to 1000 marks, or imprisonment ranging from 1 to 12 months.

Bismarck's blow was not overtly aimed at the trade unions: he had even declared that he had no desire to put a stop to trade union activities. But such declarations won no credence in the trade union movement: the unions, warned and trained by their experiences with Tessedorf, knew what lay before them. Many of them dissolved of their own accord, or rather, they "ceased to function, and vanished without leaving a trace, no one being able to discover when and how", as Müller puts it in his "Geschichte der deutschen Gewerkschaften bis 1878", (History of the German Trade Unions up

¹⁾ As opposed to the more extreme case of "Major Emergency Regulations", or martial law.

to 1878) (p. 179). The trade unions had at that time not sufficiently solid foundations to be able to bear up under the impetus of so mighty a breaker. Those which did not take this course fell victims to the police. A few were spared, such as the Senefelder League (lithographers), the Xylographers' (wood-engravers) Union, the Union of Glacé Kid Glovemakers, the Tanners' Union, and the Union of Saxon Mining and Smelting workers, and their journals. The "Bulletin for Germany's Printers and Letter-founders" (referred to earlier) did not need to stop its publication: the printing operatives' union had dissolved of its own accord. Many local unions and local and national benefit societies also disbanded.

Those unions which escaped dissolution bent before the storm by converting themselves into purely trade and benefit societies. Workers of other trades who had been robbed of their unions were soon practising similar evasions. They were persecuted by the police, they were over and over again forced to dissolve, but they reappeared just as often. There was guerilla warfare with the police, a game at hide-and-seek which was played in only too sober earnest. A new method of fighting for the life of the union was invented. Like bushrangers, the unions would appear on the horizon, only to disappear when an overwhelming force drew close enough to endanger their safety: but they would soon reappear at some other spot on the horizon. In wit, skill and perseverance the workers soon excelled the police, so that it was not very long before a network of local connections had again been woven. They could not very well do their real work as trade unions, for every strike was ruthlessly crushed by the police, but they could and did prepare the ground for the later resurrection of the movement.

In this fight the Anti-Socialist Act gradually petered out. When, in 1890, it was actually repealed, Bismarck fell with it. He had manifestly failed: Social Democracy, which had cast 493,447 votes in the Reichstag elections of 1877, had at the date when the Act was repealed 1,427,298 votes, while at the same date the trade unions had a membership of 121,000.

III. The Way to Power (1890 – 1914).

1. Laying the Foundations (Halberstadt, 1892).

The May Lock-out in Hamburg, 1890.

When May Day was first celebrated in 1890, the Employers' Association for Hamburg-Altona made a test of its power by a great lock-out of the workers who had taken part in the celebrations. The employers made withdrawal from the trade unions the condition for reinstatement, so that the fight for trade union liberty recommenced in another form. The whole of the organised working class, whose political sense had been sharpened rather than dulled by the Anti-Socialist Act, turned its attention therefore to Hamburg.

The struggle lasted for months. The working class refused to budge: they met the challenge with action. The five leaders of the German Metal-workers' Union, Segitz (Fürth), Breder (Nuremberg), Goldbach (Leipzig), Th. Schwarz (Lübeck) and Metzger (Hamburg) began by making a general appeal to the workers to settle quickly all other pending strikes, and to postpone disputes in other places, so as to be able to concentrate all their strength and use all their accumulated funds for Hamburg. This shows how bitter was the struggle on the bank of the Elbe. On August 17, 1890, the five leaders issued an appeal to the Executives, central committees, and leaders of all kinds of the German trade unions, to whom they submitted the question whether it was not imperatively necessary to call a conference at once of all the trade unions. They felt impelled, they declared, to ask this question, because "effective defence against the attacks of the arrogant employers will only be possible if all the German workers organised in trade unions take united action".

*The Berlin Trade Union Conference. — The Founding of the
"Generalkommission" (National Committee).*

The appeal met with an immediate response, and on November 16th, a trade union conference met at Berlin. 74 delegates attended, representing all the unions: and the following subjects came up for discussion: (1) Attitude to strikes and strike pay; (2) Attitude to the employers' associations, and their action against the workers' organisations; (3) the Organisation question in general; (4) The Appointment of a Committee to convene a general Trade Union Congress.

The Conference discussed these questions at great length: for behind the modest term "questions", there was, as we shall see, a "*programme*". In a resolution the Conference declared that for the immediate future it was in favour of a centralised form of organisation, as the local form was no longer appropriate to present conditions of production. The local unions were recommended to affiliate with the national unions. The centralised unions were to combine to call a general trade union congress as soon as possible: local unions situated in German states in which national amalgamation was not legally permissible were to be represented at the Congress by joint delegates. A commission of 7 members was therefore appointed to prepare for and convene the congress. The choice fell on Comrades Legien, v. Elm, Dammann (Hamburg), Schwartz (Lübeck), Glocke (Berlin), Kloss (Stuttgart), and Mrs. Ihrer (Velten).

The Conference also recommended that Congress should elect a commission of 7 to 9 persons, for the purpose of repelling all attacks of the employers on the trade union liberty of the workers, and giving strong support to the resistance of the individual organisations. It was also to help in the organisation of workers (manual and non-manual) who were in a very weak economic position, support their unions and direct propaganda for trade unionism in backward parts of the country. Until the congress should be held, a Committee elected by the Conference was entrusted with these powers, and by this means, through their election by the Berlin Con-

ference, the "*Generalkommission der Gewerkschaften*" (National Trade Union Committee) was created. It was born from the first great collision between the forces of the employers and the forces of the trade unions, which were now reconstituting themselves.

The Committee was formed at once, and it elected *Carl Legien* as its president. It began work without delay. First of all, it set on foot statistical enquiries concerning the trade union organisations, and found that there were 53 national unions, with a total membership of 227,733, 5 confidence men's "centralisations" (a form of organisation which arose during the period of the Anti-Socialist Act in order to evade legal penalties) with a membership of 73,467, and local unions with a membership of 50,000, making in all 351,200 trade union members. The National Committee then started a journal, the "*Correspondenzblatt der Generalkommission der Gewerkschaften Deutschlands*" (Bulletin of the National Trade Union Committee of Germany), the first number of which appeared on January 20, 1891; later numbers were at first issued only from time to time as need arose, but subsequently the journal became a regular weekly publication.

The National Committee also worked out for the projected trade union congress a *draft scheme of organisation*, according to which the national unions of the individual trades were to form the basis of the movement. The national unions of allied trades were to amalgamate into single organisations for the purposes of joint propaganda and the more effective conduct of wage movements.

The Committee soon got into difficulties over *strike pay*. Plenty of strikes were going on in those days, and therefore the settlement of the question of strike benefit was felt to be particularly urgent. There had been much activity in working-class circles even before the end of the Anti-Socialist legislation. Statistical research initiated by the Government showed that between January 1, 1889, and April 30, 1890, there had been 1131 strikes in Germany, involving 394,440 workers. In 187 cases the workers had obtained all they wanted, in 468 cases they had obtained only part of their demands, and in

420 cases the strikes had failed. Between November, 1890, and September, 1891, the National Committee had had to help in 31 conflicts, involving 6600 persons; and to do this, it had had to raise 189,396 marks. A wave of economic depression which had occurred in the meantime had reduced the income of the Committee from voluntary contributions, in spite of the success of the conflicts themselves. In this important respect the National Committee was faced with a task by no means easy: even the funds it succeeded in raising could not prevent the failure of important movements. All of which factors combined to produce a feeling of pessimism among the workers, who doubted the possibility of centralised help for strikes, and mistrusted the prospects of success of the trade union movement.

The Trade Union Congress at Halberstadt, 1892.

This was the frame of mind of the first German Trade Union Congress, which was held at Halberstadt March 14—18, 1892, a preliminary conference having been held in the same town on September 7 and 8, 1891. This preliminary Conference had been necessary because the organisational scheme of the National Committee had turned out to be highly controversial, so that the whole atmosphere of the movement was stormy. Political passions and trade union pessimism combined to produce a disputatious frame of mind which militated very strongly against the chances of solving the chief problem of the congress—that of binding the unions together and merging them into a single movement under a single leadership. Nevertheless, the Halberstadt Congress fulfilled its important historic destiny. In the debates on the question of organisation, the views of the local organisations were not the only conflicting current: there was also the demand for industrial unions, represented chiefly by the metal-workers. Furthermore, the metal-workers demanded that instead of a National Committee, there should be a Trade Union Council, with an executive committee. The wood-workers advocated national unions representing the various trades: they did not

absolutely reject amalgamation between unions catering for allied trades, but suggested that there should at first be cartel agreements to secure rapprochement, closer concentration being left to time and the slower process of natural development. A proposal put forward by the representatives of local unionism was lost : then the metalworkers withdrew their proposal, and the wood-workers' resolution was passed by 148 to 37 votes, 11 delegates abstaining from voting and 12 being absent. The Congress also decided that the National Committee should be retained.

The Organisation Question. — Social Democratic Party and Trade Unions.

The above were fateful decisions. Organisationally, the national craft union was recognised as the competent form of organisation, and local organisations were not to be recognised. The same resolutions which determined the form of trade union organisation also decided the relations of the trade unions to the Party.

Earlier trade union failures had discouraged the expectation of success from trade union effort alone : and belief in the all-conquering might of the Party had grown simultaneously. All was to be risked on that card alone : the trade unions too were to subserve political purposes. This was all very well for local trade unions, but impossible for national unions, for under the association legislation in force political activity was forbidden to centralised organisations and centralisation was forbidden to political associations. If a national centre were to be recognised, therefore, it would mean an end of the endeavours of the local organisation to convert the trade unions into auxiliaries of the Party, subordinated to its influence, and fighting its battles. The Halberstadt resolutions on the organisation question were a declaration by the trade unions of their determination to go their own way, independent of the Socialist and of any other party, in accordance with their own Rules, which should be framed to meet their own specific needs and should determine in-

dependently the means which they intended to employ. This was the inner meaning of the organisation conflict. In more than one sense, however, the appointment of the National Committee put the finishing touch to this action of the trade unions: through this procedure they secured a national leadership of their own, which linked the individual organisations together into a "Movement". The determination of the trade unions to be free to shape their own destiny was thereby much more stressed.

We need not waste time in proving that the resolutions of the trade union congress were no denial of the Socialist origin and the Socialist principles of the unions, and no refusal to work in the closest fellowship with the Party. But the step taken by the trade unions was nevertheless regarded as an unfriendly act by the Social Democratic Party. The vexation caused by it found lively expression at the Socialist Congress of Cologne, 1893. The real reasons for this annoyance were very frankly expressed on this occasion. *Legien* was rapporteur on the trade union question, and *Auer* replied to him. The Congress developed into a discussion on the value of the trade unions to the working class in its struggle for emancipation, and showed but little confidence in the future usefulness of the unions in this sphere. A motion was introduced, urging upon every member of the Party the duty of joining his competent union, but it was rejected. This temper of the Party reacted on the unions, and discouraged the affiliation of local unions and their members with the national unions.

But the resolutions passed at Halberstadt had laid the right foundations for progress, for from that time forward the trade unions grew and prospered.

2. The Upward Path.

Germany Becomes an Industrial Country.

Meantime, the trade depression of 1892 and 1893 had been followed and compensated by *economic prosperity*. This prosperity gave the unions a chance to develop. In 1893 the

membership of all the unions together was only 223,530, against 51,200 at the time of the founding of the National Committee. Their annual income was only 2,246,000 marks, or not much over 10 marks per member. In May, 1896, 271,141 members were represented at the Berlin Congress by 139 delegates, and the statistics for that year give the membership as already 29,230. The trade boom of 1895 was reflected not in this rise of membership alone, but also in the number and success of the labour conflicts. In these years, which were to prove the turning-point in the industrial history of Germany, they rose as follows :

1894,	131	strikes and lock-outs,	affecting	7,328	workers
1895,	204	"	"	14,032	"
1896,	483	"	"	128,808	"

And the percentage of successes rose likewise from 27.8% in 1894 to 45% in 1895, and 48% in 1896. In the bright rays of the sun of success, the dark clouds of pessimism melted away: that pessimism, which only a few years before had or many obscured the real importance of trade union conflict. The energy with which the unions now sought to exploit the situation dispelled the last remnants of doubt. This economic prosperity lasted till 1900, but the brief setback which then occurred did little to check the forward progress of the trade unions. What they had lost in this brief period of eclipse was more than regained in the long period of trade boom which started in 1901 and lasted till 1907.

The working-class during this time received an impressive lesson of the need for trade union action from the changes that were taking place in the *economic structure of the country*. The number of persons engaged in industry—and such industrial workers were the great recruiting field of the unions—rose very rapidly, and simultaneously, the industrial workers became more and more concentrated in the growing number of large industrial concerns, many of which were again grouped together, forming very prosperous industrial centres. The number of large concerns (employing 51 or more persons) was in 1895 18,953, employing 3,044,267 per-

sons, while in 1907 there were 32,007 such concerns, employing 5,350,025 persons: smaller concerns multiplied also, but more slowly. Germany was becoming an industrial country,

Trade Union Concentration.

In the discussion of the form of organisation at the time of the Halberstadt Congress the question arose whether skilled workers should be organised separately from, or together with the unskilled workers closely connected with them: and with workers of other allied skilled trades. A union which contained both skilled and unskilled workers, and also workers of allied trades constituted an *industrial union*. At Halberstadt it was decided to organise in separate craft organisations. The changes in economic life which have been touched on above, however, were accompanied by an increasing mechanisation of industry, which obliterated the boundary-lines of the different crafts. Skilled workers, and craftsmen with old traditions of their handicraft behind them were ousted by unskilled men or men who had merely acquired experience. Many crafts, losing their *raison d'être* on account of technical inventions or changes in taste and fashion, disappeared altogether. New ones arose: and many sections of workers who had originally been unskilled acquired, through the increasing refining of the manufacturing processes, certain of the characteristics of workers who may be termed "skilled" in the stricter sense of the word.

All these changes caused constant *variations in the boundary-lines of the organisations*, and evoked a tendency towards stricter concentration. The old skilled crafts abandoned their isolation, and were thronged by unskilled workers and by workers of allied trades. The improvement of labour technique enabled unskilled workers to compete with skilled workers in the same branch of industry, it became easier for the unskilled to leave their niche in industrial processes and move up into those of the skilled workers of the same trade, and similarly it became easier for workers of one trade to transfer to another. Hence it became important that groups so closely allied in industry should come under the same trade union

leadership, and that their mutual solidarity should be stimulated by their being brought into a common organisation.

Another spur to organisational concentration was the rise of *employers' organisations*. It was in the nineties that employers began to form organisations and to initiate their lock-out policy, to which we shall revert later. Henceforward, smaller unions catering only for the workers of a narrowly restricted craft had to reckon, when they stood out against a few employers, with a lock-out extending over the whole line. Every conflict, therefore, involved a disproportionately large number of their members, if not all of them. This meant the rapid exhaustion of their finances, so that they were obliged to resort to the assistance of other unions, or of the National Committee. This state of things also, therefore, impelled the unions to seek protection in a larger body.

This line of development was the background of the amalgamations and of the founding of industrial unions in the nineties and the first decade of the twentieth century, a movement which has not even yet exhausted its impetus. The metal-workers had already formed an industrial union by 1891, and their example was followed by the leather-workers in 1892, and the wood-workers in 1893. Both metal-workers and wood-workers went on extending the scope of their organisation throughout the nineties, so that there was a constant stream of new amalgamations. In 1910 the bricklayers, building workers' assistants etc. combined to form the building-workers' union, which was joined in the following year by the plasterers: while the same year saw the amalgamation of the seamen's and dockers' unions with the transport-workers' union, and the fusion of the mill-workers and brewery-workers. We can give here only a few leading instances of the amalgamation process, but these will be sufficient to give an idea of the importance and extent of the movement.

The amalgamation movement gave rise to disputes as to the demarcation lines of the spheres of organisation, and the competence of this or that organisation to cater for the new categories of specialised workers who had arisen in conse-

quence of changes in industrial technique. These *demarcation disputes* had to be dealt with as early as the third trade union congress, held at Frankfort-on-Main in 1899. The first decision on the subject was that representatives of the competing unions should be invited by the National Committee to attend joint conferences, an arrangement which gave the National Committee opportunities for intervening in and settling these disputes. The Hamburg Trade Union Congress of 1908 next passed a resolution recommending the organisations "to define disputable lines of demarcation by making special agreements with the national executives of the unions concerned, and to regulate by cartel agreements all questions of trade and joint propaganda, transfer of members, and cooperation in wage movements". The ninth trade union congress, held at Munich in 1914, was in general agreement with the regulations laid down at Hamburg, but laid special stress on the fact that the steady advance of industrial technique made it more necessary than ever that unskilled workers should be recruited in the craft or industrial unions catering for the crafts or industries employing them. In all these resolutions, however, care was taken not to lay down a cast-iron scheme which would delimit union boundaries once and for all: as at Halberstadt, the prevailing feeling was that the forms of organisation must be elastic, in order that unions might adjust themselves to changes in the structure of trade and industry. If demarcation lines in the factories were so nearly coincident that, in wage movements, it was needful for several unions to act together or, at any rate, for the union planning an action to come to a previous understanding with one or more other unions, the organisations were advised to conclude the mutual "cartel agreements" again recommended at Hamburg, and to lay down rules providing for joint action.

The Constitutions of the Unions.

Not only outwardly, but inwardly too, centralisation was adopted as the guiding principle of German trade unionism very early in its career. We have seen that under the model union rules drawn up by Bebel, national executives were em-

powered to take the final decision in local strike actions, provided that more than half the members of the union were involved in the dispute which threatened to end in a strike. The responsibility of the national executive for the existence and safety of the whole union was clearly implied in such rules, and was expressed even more strongly in the tendency to tighten up such regulations, as the responsibility grew more and more onerous. This burden of responsibility grew heavier as union membership increased, and as the number of crafts, branches of industry and sections catered for by industrial unions multiplied; while yet another factor making for added responsibility was the danger of a lock-out. To control the complex and sensitive machinery of the big organisations, and to guide the movement consistently towards the goal of the greatest possible achievement with the least possible waste of funds or energy, two lines of policy were essential. Firstly, the administrative organs of the unions had to be developed so as to adapt them to the increased size and many-sidedness of the unions and the difficult nature of their duties; and secondly, the powers of the central managements had to be extended so as to enable them to become genuinely *leading* bodies. During the period 1890—1914, both these lines of policy were followed, the one being closely linked up with the other.

A further phase in the gradual construction of trade union administration was the institution of the *District* organisation, which stood midway between the two original organisations of the local branch and the national union executive. The district organisation may represent a province or a federal state, or it may be merely an organisation catering for a clearly-defined industrial district, or some important local centre of a specific industry. But this form of organisation did not spring up spontaneously out of the clamorous trade union cravings of the workers, it did not come from nothing, as did the local union, but was created to meet the necessities of the already existing central organisation. The formation of district groups has in almost every case been the result of resolutions passed by the congresses.

At the head of the district is the district executive, the members of whom are for the most part elected at district conferences of delegates, these delegates being mainly representatives of local branch secretariats and other local offices. The district executives and conferences have little power of independent decision or action, for their chief function is to represent in their district the desires of the whole organisation, to put into effect the resolutions of congresses and of the national executive, and to support the latter in the discharge of its duties. The districts, however, soon acquired special importance in relation to the conclusion and application of *collective wage agreements*: the need of them made itself felt, in many cases, when the collective wage agreement became increasingly general, for most collective wage agreements are concluded for districts. But even here their function is chiefly preparatory and advisory, for most of the national unions keep in their own hands the right to conclude or notify the termination of agreements. If a paid official is at the head of the district, he is usually appointed by the national executive: this practice being in harmony with the position in the union, both of the official concerned and of the body over which he presides. National executives usually like to consult district leaders: the adoption of important measures is often preceded by a conference of the district leaders. In many unions this is done for reasons of expediency, there being no rule enforcing the practice: when there are such rules, they have usually arisen out of the practice.

On the other hand, still more specialised groupings are to be found within the local branches. The establishment of industrial unions would inevitably have led to a loss of all craft life in the organisations, and would have wasted the strong sense of solidarity growing out of community of craft if the tendency to cater for many various crafts in a single organisation had not been accompanied by a subdivision of the local branches into trade, sectional and craft groups. The mere numerical increase in the unions tended to have the

same effect. But this subdivision did not mean any trend towards dissolution, or any decentralisation in the local branch. The whole of the local branch, especially the local branch executive, continued to be responsible and, within the limits of its powers, to lead and determine the action of the branch in all local matters. So far as passing independent resolutions was concerned, the local branch had little power : its functions lay in the direction of propaganda and the defence of specific trade interests : in the last-named sphere, especially, it played a part by no means subordinate. If specific trade conditions necessitated the formulation of demands for specific working conditions, both the branch executive and the national executive were *bound* to consult the group leaders, whose opinions might not be disregarded. Especially was this important in concluding wage agreements. Some unions even set up central group committees in order to co-ordinate the work of the groups (called "Sparten" by the printers) and to defend their inter-local interests. Such committees are to be found in the unions of printers' operatives, lithographers and kindred trades, and wood-workers.

The factory and workshop leaders or confidence men¹⁾ have always been important functionaries. They are the peripheral nerve fibres of the organism of the German trade unions, passing far out into the remotest corners of the factories. The "confidence man" represents the union in the factory and the workshop both to members and non-members. He strives to persuade the latter to join the union, especially if they are new arrivals, and he reminds the former of their duties as members. He fosters mutual intercourse among members, gives information on union matters and maintains the relations between the factory personnel and the local branch. The latter in its turn cultivates relations with the confidence men by holding regular meetings for them, at which the local branch executive communicates to the men all notable incidents connected with the union, and urges them

¹⁾ More or less corresponding to the British shop stewards.

in their turn to report on what they have seen in the factory and to help the branch executive with their advice.

Every time the administrative bodies were increased by some element, or the functions of the existing body were adjusted to cope with the changing or growing tasks of the steadily increasing organisations, or the tactics of the Movement had to be re-adjusted to correspond with changes in the policy of their adversaries, it became necessary to define afresh *the competence of the administrative organs of the union*. Here, too, the principle of centralisation took stronger and stronger hold. The autonomy of local branches and of the craft sections of industrial unions was limited, in order to expand the powers of the *national organisation*, as incorporated in the general meeting (the union congress) and the national executive.

The National Executive derives all its powers from the congress, whose resolutions, in the form of Rules, delimit the respective competences of the administrative organs of the union, and mark them off from each other. As the congress became increasingly important, the delegates to it were elected with ever-increasing care and conscientiousness. The congress held by most unions once every two years, elects the national executive, whose period of office ends with the next congress. As time goes on, it happens more and more frequently that the congresses of the unions pass resolutions placing in the hands of the National Executive the power to begin, manage and end wage movements and strikes. If the question is decided by members' votes, it is usually necessary that a definitely fixed majority (two-thirds, or three-fourths) shall decide for the proclamation or calling off of the strike: in many unions the rules lay down that there shall be a referendum of the members.

Then, too, the funds at the disposal of the union branches are fixed by the central authority. At the beginning of the Movement, the local branches had had to pay a fixed amount of their contributions (the rate of which they fixed them-

selves) to the National Executive, but now the regular contribution of the individual member is regarded as being levied by the National Union, and the latter determines its amount. The congress decides what proportion of the contributions may be kept back for local use, or what extra levy the local branches may demand for their own purposes, and the National Executive supervises the use made of this money.

The growth of membership, the extension of the sphere of activity, the energy of the enemy, and the increasing complexity of the unions soon made it necessary to add to the number of the full-time officials. We have already mentioned the full-time district leaders, but in the offices of the National Executives and branches there was also a steady increase in the number of officials appointed : in 1914 the number employed in head offices was 407, in branch offices 1956, in district offices 429, and in editorial offices 75. Both paid and unpaid members of the local branch executives are usually elected by the general meetings of members of these bodies. These meetings are attended either by the members themselves or by their delegates, according to the size and geographical extent of the local branch : if by delegates, these are elected by referendum of the members. The elections of the local branch Executives and the appointments of paid officials must, however, if they are to be valid, be confirmed by the National Executive. National Executives are also entitled to dissolve local branches, to combine several into one, or to create new ones.

In some organisations the limitation of the autonomy of the craft sections of industrial unions and of the local branches has led to conflict. As an instance, we may quote that of the metal-workers in 1908. Wages were reduced in the Strebel Works, at Mannheim. The conflict was to be ended as the result of negotiations with the firm which had been conducted, with some success, by representatives of the union. But the workers were dissatisfied with the results, and went on strike. The employers now threatened a general lock-out, and the Executive of the metal-workers' union demanded that work

should be resumed. But the strikers did not at once give way. All the workers engaged in the metal industry of Mannheim having expressed their approval by means of a referendum, the strike which had been condemned by the Executive went on for some time longer. The action of the Executive came in for sharp criticism, and the excitement of the members lasted for a considerable period of time. Similar friction occurred in 1913 in connection with an action of the shipyard workers : in this case the quarrel went so far that the Metal-workers' Executive had to call an extraordinary Congress and issue a decision on the point in dispute.

Such experiences gave rise to the creation of what are called in German "Beiräte". The "Beirat" (or Council) is a body additional to the National Executive : the Executive must on important occasions take decisions in collaboration with it. The "Beirat" therefore constitutes a third member of the complete union administration, which now consists of congress, national executive and Beirat. The members of the Beiräte are chiefly drawn from the already mentioned district leaders' meetings, but of recent times the Beiräte of many unions must also have a fixed number of members still working in their trades. Until the creation of Beiräte, the whole responsibility for the management of the union between two congresses devolved upon the national executive : now, through the Beiräte, this responsibility is spread over a larger number of representatives of the rank and file : and the Beirat was, moreover, formed in order to furnish the rank and file with another instrument by means of which to exercise its rights as a democratic body. This same purpose is also achieved by the practice, to which reference has already been made, of electing members of local branch executives by rank and file voting. Some of these precautions were not taken until after the War, when new political dissensions arose in the trade unions, and it was found advisable to take the wind out of the sails of demagogues who complained of the system of centralisation, which for practical reasons had been firmly established in the trade unions.

Thus has it happened that the organisational construction of the trade unions and their internal system of government have taken on the forms which they possess to-day. At the head of the whole movement was the National Committee. During the first years of its existence, it had its seat at Hamburg ; in 1903 it was removed to Berlin. It has frequently stepped in to aid the unions with advice and administrative assistance during the demarcation of the present boundary lines and forms of organisation. If, despite the many varying conditions to be found in the different crafts and branches of industry, and the constant fluctuation of these conditions it has been possible to build up a structure which in its broad outlines has standardised these changes, the credit is very largely due to the centralised leadership established at Halberstadt, and to the unified outlook and mentality which from congress to congress has more and more become a distinguishing characteristic of German trade unionism.

National Committee and Trade Union Congress.

In cases where the organisation of certain sections of workers is very difficult, and their own strength is insufficient to create efficient organisations, the National Committee has stepped in and given these sections a push-off. In 1911, for instance, it started two new unions, one for *domestic servants*, the other for *land-workers*. The duties of the Committee moreover grew with every congress, for scarcely a single congress broke up without having first given instructions to it to discharge this or that specific task. Its original functions comprised the organisation of assistance from the common funds in especially important and protracted labour conflicts, the encouragement of propaganda, the collection of statistics, the creation of international relations, and the issue of the "Korrespondenzblatt" (the journal of the centre) : these were later supplemented by such tasks as the extension of social legislation, the study of how best to derive benefit from it, and the training of trade union officials. The Munich trade union congress of 1914 issued new regulations for the National

Committee, the trade union congress, demarcation disputes, the assistance of strikes and trades councils.

The National Committee was assisted by the Conference of Union Executives. The Conferences of Union Executives had their origin in the inherent need of the National Committee to maintain constant touch with the union executives. The National Committee discussed with them the important questions and tasks of the Movement, and compiled with them the documents to be submitted to trade union congresses: meetings were held as occasion required, but they rapidly increased in frequency.

The following trade union congresses were held before the War: at Halberstadt in 1892, at Berlin in 1896, at Frankfurt-on-Main in 1899, at Stuttgart in 1902 (4th), at Cologne in 1905 (5th), at Hamburg in 1908 (6th), at Berlin in 1910 (an extraordinary congress), at Dresden in 1911 (8th), and at Munich in June 1914 (9th).

Trade Councils.

The Trade Councils, or local trade union committees, now known as the "A. D. G. B. Trade Councils" from the initials of the German trade union centre, represent one of the earliest forms of trade union organisation. In some places they arose as early as the period of the Anti-Socialist Act in the form of a concentration of local unions. As in those days there were either no national unions at all or, if they did exist, they were not very well consolidated, (as indeed was the case for some years after 1890), and as most wage movements and strikes were local manifestations, the mutual help which the unions furnished to each other in labour conflicts which were too big for them to cope with single-handed had to be obtained in the immediate locality. It was this need for mutual aid which gave rise to trade councils. They owe their significance to their fulfilment of this task, and its importance gave them a certain amount of power. They were not content with merely furnishing mutual support, but also claimed the right to control strikes and to be consulted in

the conduct of them. When the national unions became more powerful, the trade councils were already in possession of certain traditional rights, so that, as the national unions began to take over, to an increasing extent, the leadership of labour conflicts, they met with opposition from the trade councils, which also laid claim to this right. The old local spirit died hard among the trade councils. At the time of the conflict concerning the creation of a localist or centralist form of organisation, the localists found strong support from the trade councils, whose functions, as previously exercised, were entirely in accord with the localist principle of organisation. There were even open conflicts with the national unions. The Leipzig trade council, for instance, was strongly against the conclusion of wage agreements. When in 1896 the alliance formed by the printing trades for the purpose of a collective agreement came up for renewal, the break-away organisation, known as the "Printers' Trade Union", which had been formed by those printing operatives of Leipzig who were adversaries of agreements, was admitted by the trade council, while the local branch of the national printing operatives' unions was excluded from it.

Incidents of this kind compelled the executives of the national unions and the National Committee to turn their attention to these difficult children who, in spite of the trouble they gave, were yet doing indispensable work. The Frankfort Trade Union Congress of 1896 limited the powers of the trade councils in wage conflicts, and decided that their functions were to represent the common interests of the unions locally, to look after the employment exchange system and the organisation of accommodation for travelling workers, to attend to statistics and libraries (later also to educational work in general) and to set up and maintain the Labour Secretariats. The Cologne trade union congress of 1905 decided that the trade councils might only make collections in aid of labour conflicts provided that the National Committee had asked them to do so.

As soon as the powers of the trade councils had been restricted by these resolutions, they became an organic part

of the Movement. That they had lost nothing of their real value through this change in their position was proved by the rapid growth in their numbers. In 1891 they were to be met with only in Bremen, Leipzig, Brandenburg, Stuttgart, Mannheim, Brunswick, Halle, Herford, Halberstadt, Lüneburg, Hanau and Minden: while in 1899 their numbers had risen to 252, and in 1914 to 575.

Institutions of the Unions. The Benefit System.

Among the institutions of the unions whose external and internal organisation we have described in the previous section, we must place in the first rank their *press*. It was an early object of attention. Of the 50 unions existing in 1893, only three were without journals of their own. Of the 47 journals, 8 were issued against subscription only, the rest free of all charge. One appeared three times a week: this was the "Korrespondent", the printers' journal, which is still issued twice a week, and is still, moreover, the only union journal for which a separate charge is made to members. Of the others, 26 were issued once a week, 1 three times, 1 twice and 3 once a month, 14 once a fortnight, and one whenever occasion arose. In course of time there was a steady improvement in the contents and make-up of the journals: most of them were issued once a week, and very few at rarer intervals. Besides its general journal, the transport-workers' union issued separate journals for railwaymen, seamen and tramwaymen, and the miners' union a special journal for its Polish-speaking members. The wood-workers' union, the printers, the gardeners, the lithographers and the tailors had special technical journals, some of which were excellently got-up.

The "Korrespondenzblatt" of the National Committee was also greatly enlarged, and was further equipped by periodical supplements dealing with labour law, and labour literature or statistics: in addition to this, its national journal, the Committee also published Polish and Italian journals, known respectively as "Oswiata" and "Operaio Italiano" ("The

Worker" and "The Italian Worker"). We may also mention here, by way of anticipation, "Gewerkschaftliche Frauenzeitung" (Trade Union Women's Journal), published since 1916, and "Die Arbeit" (Labour), the monthly magazine of the Movement, published since 1924 both of which are published by the German national trade union centre. Since 1924 the "Korrespondenzblatt" has been known as the "Gewerkschaftszeitung" (Trade Union Gazette).

Besides their periodicals, the trade unions soon began to issue large quantities of special trade union literature, consisting of controversial and propaganda publications, reports on activities, and yearbooks of the national union, and the National Committee, or, as it was called after 1919, the A. D. G. B. (Allgemeiner Deutscher Gewerkschaftsbund, or National German Federation of Trade Unions), reports of union congresses; also research publications dealing with trade conditions, general trade union questions and social problems. One of the most noteworthy sections of this literature is a series of histories of the individual trades and their unions.

Even before the Anti-Socialist Act, the trade unions had created, or were planning to create *Benefit Funds*. When in the Nineties, however, they proceeded to put these plans into effect, they met with a certain amount of opposition from members. Benefit funds, it was declared, were calculated to rob the unions of their fighting character. Workers who were secured against all misfortunes by means of benefits would soon find themselves comfortable niches in the "petit-bourgeois" section of the capitalist world, and would lose their zeal for fight. As a counter-argument it was urged that benefits are rather a means of increasing than of decreasing the fighting capacity of the working class, precisely because they free the workers from many of the petty cares of everyday life, and enable them to devote their energies to trade union fight. The benefit system would moreover enhance the attractiveness of the unions for outsiders and would in-

crease and consolidate their memberships, for they would tend to deepen the workers' desire to possess a permanent membership. Benefits were further a means of influencing the labour market, especially in the case of unemployment benefit, which would prevent the unemployed from accepting work under bad conditions because he was compelled to do so by starvation. Although the usefulness of unemployment benefit as a fighting measure is so evident, it was opposed with great vigour. The working class were indignant at the idea, because they thought that by establishing funds to help themselves they would be taking upon themselves the financial sacrifices involved in assisting the unemployed; they considered society and the State as responsible for unemployment, and demanded that the unemployed should be maintained out of state funds.

The question was discussed at the Berlin trade union congress of 1896. For the above reasons the congress passed a resolution recommending that the unions should introduce unemployment benefit. (Of course, the demand that the State should take measures to help the unemployed was not thereby abandoned.) Many of the unions also instituted travelling benefit in connection with unemployment benefit. In 1902 27 unions already had unemployment benefit, and 41 provided travelling benefit, while in 1904 36 unions and in 1906 43 provided unemployment benefit.

In most unions the introduction of unemployment benefit was closely followed by *sickness benefit* and *removal benefit*. Some unions further widened their benefit system so as to include *disablement benefit*, and many also provided *death benefit*. All unions gave members benefits in case of *victimisation*, and strike benefit was of course the right of every member, and was provided for by the Rules.

In 1914 47 unions in all were affiliated with the National Committee. Of these, 40 gave unemployment benefit, 39 travelling benefit and 35 removal benefit besides. 46 of them had sickness benefit funds, 33 emergency benefit, 7 disablement benefit and 44 had arrangements for the payment of death

benefit. The best proof of the value of the benefit system is the rapid spread of it: it was found in fact that the establishment of benefits diminished fluctuation of membership.

Closely connected with the unemployment benefit question was the question of providing work for members,—the establishment of employment offices. This point too gave rise to heated debates. The employment office was looked upon by the unions as a weapon of conflict. By seeking to control employment offices, they were seeking to strengthen their control over the engagement and dismissal of workers: with the aid of an employment office managed by themselves, they wanted to prevent obnoxious employers from obtaining labour. Therefore they set up trade employment offices of their own in all the towns.

But employers did the same thing, giving the preference to their own offices. Open fights followed for the possession of the employment office, and the institutions themselves came off very badly, being rendered less fit to discharge their proper functions.

From 1894 onwards, German towns began to be supplied with public employment offices, or Labour Exchanges. Even when the Berlin trade union congress discussed the question of undertaking this work in 1896, it had to take account of these public offices. v. Elm, rapporteur on the subject, was of opinion that employment offices must remain in the hands of the trade unions, which must reject the system of co-management together with the employers, and also that of municipal management. *Leipart* warned the congress against so cast-iron a decision, but the large majority of the congress voted with v. Elm. It was however useless. The municipal Labour Exchanges progressed: it was obvious that they were best fitted to fulfil the requisite functions, and gradually the opinion gained ground among the unions that these Exchanges were not necessarily prejudicial for trade unionism, if the unions could secure influence in their management. Hence in 1899, at the Frankfort Trade Union Congress, the unions abandoned their hostile attitude to the municipal Labour Exchanges. In a resolution the congress formulated the conditions under which

trade unions could cooperate in Public Labour Exchanges : they demanded four things : that employers and workers should be equally represented in the administration, the actual management being in the hands of independent officials drawn from the ranks of the workers : that no labour should be supplied to employers who refuse to negotiate in labour disputes : that employers should be compelled to abide by the working conditions laid down by the Labour Exchange, and that no fees should be charged.

At the Hamburg trade union congress of 1908, the trade unions went further : they called for legislation against the recruiting of labour by the trades themselves, demanding legislative regulation of the employment exchange system, and state and municipal organisation of Labour Exchanges on the basis of self-government.

But the fight for the employment exchanges was not yet over. The public Exchanges had meanwhile organised to form the Union of German Labour Exchanges. At first, the Exchanges had been inclined to appreciate the cooperation of organised workers in their administration, but very soon a different tendency gained the upper hand, and they showed a disposition to curry favour with employers by disregarding the principle of equality of representation. At the Dresden Congress of 1911 the trade unions protested against this policy. They demanded that the Labour Exchanges should be public, and free of charge, and that they should work in the interests of the community, and they furthermore insisted that they should refuse to furnish labour to employers engaged in a strike or lock-out. This was the great point at issue, for it was the aim of the employers to have the Exchanges at their disposal and draw from them blackleg workers ; and it was in order to further this object that they were fighting Labour influence. The battle lasted long, but in the meantime, the system of collective agreements had developed rapidly and widely, and with it, the trade employment office, managed jointly by employers and workers and based on wage agreements. These offices had already been found to be very valuable, in spite of which the reactionary Union of Labour

Exchanges proceeded to attack them: again, therefore, at the Munich Congress of 1914, the trade unions protested against these hostile tendencies of the Union, and championed the cause of the Trade Employment Office based on joint agreements and managed jointly by capital and labour. It declared that "in principle it desired employment exchanges to be lifted out of the sphere of the conflict of interests between employers and workers". It thought the best solution would be for all these employment offices to be established by legislation, and for joint management to be made compulsory.

The establishment of a large-scale Labour Exchange system, with numerous offices throughout the length and breadth of the country (in rural as well as urban districts), and organised on a basis of autonomy in the interests of the community, became from henceforth the universally-recognised policy of the trade unions.

For the sake of logical sequence, we must now turn our attention to the domain of social insurance and legislation, which must have a special section to itself. Another trade union institution which is likewise connected with the spurt of energy in social policy which distinguished German Labour in the nineties, and the social work of the trade unions, are the Labour Secretariats. This institution was founded to help the workers to secure their rights and advance their claims in the various branches of social insurance which had in the meantime been established, and further, to give trade unionists legal advice in general. The first Labour Secretariat was opened at Nuremberg in 1894. Segitz, the manager of the Nuremberg Labour Secretariat, gave an address at the Trade Union Congress at Frankfort, 1899, on the importance and work of these institutions, and the unions were recommended to encourage them. The Labour Secretariats soon became much more general: in 1914 there were no less than 150. They invariably owed their existence to the initiative of trades councils. Their work was systematised by the establishment of 11 district

Labour Secretariats in the towns in which the Higher Insurance Offices were situated, and 1 National Labour Secretariat connected with the National Committee at Berlin, to deal with disputes in which appeal had been made to the National Insurance Office as the supreme court of appeal. This National Labour Secretariat was set up in 1903, in virtue of a resolution passed by the Stuttgart Trade Union Congress.

We must touch lightly on the other institutions and activities of the trade unions, which one by one were added to the ordinary work of the Movement. They include institutions to encourage propaganda among women, and to represent their specific interests, the Youth Movement, and educational work. As early as 1895 the National Committee started a nation-wide propaganda to win women workers to join the trade unions. A proposal was made by *Paula Thiede*, the president of the union of Printers' Assistant Operatives, at the trade union congress of Stuttgart in 1902, that a Women Workers' Propaganda Committee should be formed; and this was carried. Later, in 1908, the Hamburg Congress decided to set up a special women workers' secretariat: the same congress also considered the question of propaganda among *young workers*. It refused to set up a special independent youth organisation, advising the trade unions to found local Youth Committees in conjunction with the local branches of the Social Democratic Party, so that these might create institutions to recruit and educate young workers. The trade unions pursued a similar policy in respect of *educational work* among their adult members. The Social Democratic Party having decided to encourage extensive educational activities, and having passed resolutions accordingly at their Mannheim Congress of 1906, the trade unions proceeded to collaborate with the Party in forming joint Educational Committees in every locality, an institution which soon became very widespread. In order to train their paid officials and other persons capable of holding important posts in the Movement, the National Committee started *special trade union classes*, this step being taken in conformity with a resolution of the trade

union congress of Cologne, 1905. These classes were first organised in the autumn of 1906, the first courses lasting 4 weeks each, and those of 1907 and 1908 lasting respectively for 5 and 6 weeks : by 1914 22 courses had been held, and 1387 students had taken part in them. All these classes were held in Berlin, and the curriculum included the trade union movement, social legislation, national economics, and the penal code. Besides this, a few places in the National Socialist School were reserved for students selected by the trade unions for the purpose from among their members.

The German trade unions also showed at an early date much zeal in initiating and promoting international relations between unions catering for the same trade. We will not attempt to give here any presentation of the birth and development of international trade union relations, since in any case we could only afford space to deal with them very summarily. A survey of the history of the Trade Union International has moreover been provided by Sassenbach in his "Twenty-five Years of International Trade Unionism" (Volumes 4/5 of the series of the International Trade Union Library).

Disputes with the Social Democratic Party.

The cooperation between the trade unions and the Social Democratic Party in the spheres of the Youth Movement and workers' education shows us that the mutual distrust which, as we have seen, had existed between the two branches of the Labour Movement at the beginning of the Nineties, had by this time disappeared. But during the interval there had nevertheless been some friction between the two. There were mutual disagreements at the turn of the century in connection with the political neutrality of the unions and the nature of their activities, and shortly afterwards there was a sharp dispute on the questions of the celebration of May Day and the general strike.

In 1901 the employers again had resort to a *lock-out* as a reprisal for staying away from work on May Day. They were systematic in doing this : every year the May lock-outs became more and more comprehensive. This meant very great difficulties for the trade unions, for which reason the representatives of the German trade unions requested at the International Socialist Congress of Amsterdam, 1904, that limits should be put to the obligation for Socialists to take a holiday on May Day : the whole German delegation, however, which consisted of representatives of the unions *and* the Party, rejected the proposal. The Socialist congress of Bremen did indeed discuss the difficulties into which trade unions were plunged on account of the holiday, but it was bound by the international resolution. In 1905 the Cologne trade union congress considered the question and in consequence of its decision, the National Committee submitted new proposals to the next international congress.

Meantime, the Russian revolution of January, 1905, had given rise to debates among the German working class on the political general strike, and its value as a weapon in the Labour war. Meetings and press were full of the subject. The trade unions could not but devote their attention to these discussions. Their whole activity constituted a system which had been built up by slow degrees upon collective wage agreements, collective undertakings, and other institutions whose aim was to give continuous encouragement to the wage conflict, to secure progress through social legislation, and to extract the uttermost iota of advantage from such legislation. This system has developed on the principle of cautious progress, and the trade unions were of opinion that the safest way of ensuring its continued progress would be to go on with this organisational work, and foster this gradual growth. *All* their previous successes had been due to these methods, and since these successes were by no means small, they had a great deal to lose. The sudden adoption of more violent political measures could not have failed to interfere considerably with their activities. Because their risks in such movements were great—undoubtedly greater than were those of the Socialist

Party, the conditions of whose existence were very different—they had of course to be much more cautious than the Party : they must weigh the risks of the political strike against the possibilities of its success, before they could venture to decide for its use. Of still greater importance was their claim to be consulted before such a weapon were resorted to. The trade union movement will always be very sensitive when organisations outside itself, even if connected with it as closely as the Social Democratic Party, resort to tactical measures which cut so deep into trade union life, amounting in practice to laying hands on its personal and financial resources. For one thing was clear : no political strike would be possible, or would have the slightest chance of success, unless the members of the trade unions obeyed the order to strike.

At their Cologne Congress of 1905, therefore, the trade unions discussed the question of the political general strike. They took the bull by the horns. Bömelburg, the president of the bricklayers' union, made a very passionate address : in the decision taken, it was declared that the general strike was "a matter quite outside discussion" : the resolution on the subject warned the unions against allowing themselves to be diverted from daily routine work, which would strengthen the organisations, by welcoming and spreading such ideas.

At its Jena Congress of the same year, the party defined its attitude to the question. Bebel was rapporteur. The resolution proposed by him and passed by the Congress declared that a mass stoppage of work might under certain circumstances be the most effective method of repelling the enemy's attack on the suffrage or the right of association.

The divergence of views was manifest to every eye : meetings and press carried on debates under the slogan "Party v. Trade Unions" : the fight was a very heated one.

The Socialist Congress of Mannheim, 1906, again discussed the matter, which had now expanded into a question of *the relations between the trade unions and the Party*. Again Bebel was rapporteur, and this time Legien was rapporteur for the other side. The resolution passed by the congress maintained the declaration in favour of a general strike, but

it added that the trade unions would not necessarily have to take the same view as the Party : both branches of the Movement were recommended to come to a reciprocal agreement and to cooperate, and for this reason the two national executives should come to an understanding and take joint decisions in all actions which affected party and trade unions alike, and therefore in respect of the resort to a general strike.

This put an end to the dispute. On the basis of the Mannheim resolution an agreement was reached on the May Day question : it was arranged that the costs of the aid to be given to victims of the May lock-outs must be shared by the Party and the unions.

The Mannheim Resolution, however, also denotes the recognition of the claim of the unions to tactical independence and separate leadership : the claim they had advanced long since at Halberstadt was at last admitted by a Party resolution. Thus was the way cleared for cooperation on the basis of mutual understanding.

The Christian (Roman Catholic) Trade Unions.

The history of Christian (or, strictly speaking, Roman Catholic) unions dates back to the Forties, but not till the Nineties did unions holding these principles begin to be formed. The reasons to which were due their creation and the creation of their predecessors of the same kind and the objects of their founding were varied, and sometimes even contradictory : similarly, their leaders and promoters were of varied social origin, although closely united in ideas through their adherence to the Catholic Church. Among the founders and promoters of the Roman Catholic Labour Movement there have always been workers, and with them intellectuals, especially priests. The primary motive was to safeguard the interests of the Catholic Church by preventing German Catholics from feeling themselves cut off from the spiritual community whose interests they shared by increasingly acute social differences. In point of fact, the unifying force of their religious creed was threatened with destruction by the emergence of social differences within the Catholic

body, and the process of destruction was hastened by the penetration among Catholic workers of ideas of socialism and class consciousness. It certainly was a matter of vital interest both for the Church and the Clerical Party (the Centre) to prevent such development, and this object was undoubtedly one of the strongest incentives to the founding of the Catholic Labour Movement, although it would be a mistake to say that it was the *only* incentive to that policy. Among the intellectuals who are responsible for the founding of the Movement there was also an honest social feeling, and sincere indignation at the capitalist exploitation of human beings, and among the workers there was the desire that their interests should be effectively represented. These three motives are to be met with in all phases of the Catholic Labour Movement, and in proportion as one is stronger and more influential than the others, the representatives of the various interests either unite for the purpose of joint work, or live in fierce enmity with each other. This variety in the incentives giving rise to the movement occasionally led to fierce internal dissensions.

The Movement began in the Forties with the founding of Catholic Journeymen's Associations by *Kolping*, the Journeymen's "Father". At about the same time, Bishop Ketteler of Mainz launched fierce invectives against capitalism. It was not, however, till the Sixties that the activities he had set on foot in Rhenish Westphalia culminated in the establishment of Christian-Social Labour unions "for the purpose of the economic and mental uplift of the working class", and to raise wages "in close inner association with religion and morality". These movements were not, however, trade unions in our sense of the term. *Kolping's* associations had nothing whatever in common with genuine trade unions: and the labour associations too were without the most essential feature of trade unions, viz., tactical independence, the liberty to take the course of action calculated to attain the desired end without regard to outside influence. They were hampered in their development by their antagonism to Social Democracy and the "free" trade unions which were regarded as Social Democratic, for any action by the Labour unions of a kind which

would have proclaimed to the world their innate kinship with "free" trade unions had to be pronounced dangerous and avoided, so as to enable them to keep their members out of the genuine trade unions. Clerical influence in the management of the Labour Unions was however so strong that the priests were able to compel adherence to the lines laid down. Horrifying stories of the wickedness of the work of the Social Democrats, or, at least, glaring distortions of Socialist ideas were therefore carefully spread among Catholic workers. Obviously, it is only a step further to blackleg in strikes led by the "free" trade unions. The hostility of the Catholics to the "free" trade unions was fully reciprocated by the latter, whose feelings found special vent whenever the members of the Labour unions were strike-breaking.

But the fate which no Labour organisation can logically expect to escape was lying in wait also for the Catholic unions: when the Catholic unions found occasion to meet for common discussion and agreement, there soon arose among them a strong desire to act together to improve their conditions, and to be represented by organisations serving that purpose. The more actively the Catholic intellectuals promoted the Labour unions—and their zeal for them increased as the "Socialist danger" became greater—the more they hastened the coming of the day when these unions would be unable to avoid being transformed into genuine trade unions, a change which of course brought them nearer and nearer to the "free" trade unions. Signs of this change were in evidence as early as the Seventies, but it was not till 1894 that the first genuine Christian trade union, the Christian miners' unions, was founded for Dortmund district.

This was not at all to the taste of most of the founders and leaders of the clerical Movement. They had always strongly opposed the trade union leanings of the members of the Labour unions. It was in order to satisfy these cravings of the workers, while at the same time guarding the Christian Social Unions from straying into trade union paths, that in the Eighties trade sections were founded in the unions to promote the specific trade interests of the workers (by making

proposals to the employers, establishing employment offices, benefits funds etc.). But when the miners, acting independently of the Labour Unions and their trade sections, founded a trade union organisation, the internal peace of the Movement was at an end. A heated conflict between trade sections and trade unions broke out : the dignitaries of the Church declared themselves from the very beginning and almost unanimously against the trade unions, and in 1891 even Pope Leo XIII. himself recommended the founding of trade sections. Nevertheless the trade unions prospered very fairly well. At Whitsuntide, 1899, they held at Mainz their first congress.

Other unions formed in imitation of the Christian miners' unions were denominationally neutral from the beginning : they even showed a strong leaning to political neutrality, thereby failing to fulfil the primary purpose of their creation, which had been that they might form bulwarks against the incursion of Social Democracy. So they were fought fiercely by the clerical sections, and their neutrality was bitterly opposed by the clerical and party influences within their own boundaries. These opposing views came up for discussion at the second trade union congress, held at Frankfurt-on-Main in 1900. The trade unions held fast to the principle of denominational neutrality, but failed to maintain that of their political neutrality. This congress was attended by 98 delegates representing 33 trade unions with a membership of 84,129.

The success of the Christian trade unions roused the higher ecclesiastical dignitaries of the Church to action. In 1900, a conference of Catholic bishops held at Fulda issued the Fulda Pastoral Letter. It strongly condemned organisations catering for mixed denominations, declaring the trade sections (known as the Berlin Group) to be the only organisations calculated to safeguard the class interests of the Catholic working class. As the dispute was still unsettled, in 1912 the Pope again threw his authority into the scale on behalf of the trade sections.

Despite all opposition, however, the Catholic trade unions grew in importance. Soon after the Fulda conference, they combined to form the "Gesamtverband christlicher Gewerkschaften"

(National Union of Christian Trade Unions). The trade sections, on the other hand, failed to obtain any influence: their continued existence was due solely to the strong support of the Catholic Church, and their only success was to check the rush to the trade unions in parts of the country where they had a certain importance. These parts were the eastern districts of Germany, where the Catholics, being in the minority, were a united body which resolutely avoided all contact with adherents of other denominations, while in the West, where they were more numerous, and acted with greater self-respect, freedom and vigour, they were much less rigidly aloof in their intercourse with other denominations. In the West, too, there were larger numbers of Catholic workers, so that the West became the birthplace of the inter-denominational Christian trade union movement (1). Not till 1919 did the trade unions obtain a final victory, and the strife between the two groups cease.

3. Right of Association and Social Policy.

The Principles of the Right of Association.

Throughout the whole course of the development of trade union organisation, each step was severely hampered by the State and official authorities.

The right of association in Germany was based on §§ 152 and 153 of the Industrial Code of 1869.

Para. 152, Clause 1, proclaims liberty of association, but Clause 2 declares that the associations have no legal status, and Para. 153 lays down that persons are liable to legal penalties "who in order to increase the power of an association, seek to influence any person by applying mental or physical compulsion". (Reindl, "Die Deutsche Gewerkschaftsbewegung". (The German Trade Union Movement). Liberty of association did not entail any legal protection for the association:

(1) i. e., trade unions which accept both Protestant and Catholic members, although, in point of fact, Catholics predominate in such unions.

such protection was explicitly refused and, worse still, protection was afforded to the enemies of association.

The spirit manifested in these few sentences of these all-important paragraphs was fully borne out in all the proclamations and measures concerning the right of association and social policy which were respectively issued or adopted by the imperial governments. The object of them all was always to strengthen the unsocial element in the working class against the trade unions, and to weaken the forces making for solidarity. Yet the trade unions succeeded in mobilising these very forces to an ever-increasing extent, and in defying this temper in the administrative authorities. They succeeded in utilising social policy to forward their own ends and they framed themselves more and more on the lines laid down by their own internal laws—which have arisen out of the intrinsic principles of trade unionism. Under the influence of the Trade Union Movement, labour law and social policy renounced all attempt to advance through the defence of the rights of separatist individuals, in total indifference to the needs of the associated community, and adopted the path which led to the recognition of the right of association, and the subordination of the individual to the collective will of the organisations: instead of emphasising the privileges of the individual, it preferred to establish by law the privileges of the organisation: before the individual, it put the rights of the corporation.

The above is of course somewhat premature so far as historical development is concerned, for the decisive turn in this direction was not made till after 1918. But the tendency could be perceived from the moment when the trade unions found themselves strong enough to extend their activities to the domain of social policy.

The Penal Servitude Bill.

In 1897 a great anti-trade union campaign was started. The German Kaiser began it in June, in a speech made when unveiling a monument in the neighbourhood of Bielefeld. "The heaviest punishment", he declared, "should be meted out to

the man who is audacious enough to hinder his fellow-man from working when he desires to do so." Count Posadowsky, the German Home Secretary, issued a circular to the German States on December 11th, 1897, which put the question whether it was not necessary to amend Para. 153 of the Industrial Code and in strikes and lock-outs, to "give those who are willing to work better protection against the terrorism of strikers and agitators" and to punish pickets. This circular became known, and the National Committee at once organised a movement against these plans. The enemies of the unions continued to go on quietly working until on September 6th, 1898, the Kaiser was again moved to make a pronouncement: he announced at Oeynhausen that a bill was nearing completion for the protection of those who wanted to work. Anyone trying to prevent a person who is willing to work from working, or even anyone who incited the workers to strike, was to be punished by penal servitude. The trade unions were again warned, and the National Committee strengthened its counter-measures.

Meanwhile, the trade unions held their third congress at Frankfort-on-Main in May, 1899. Legien made a speech on the subject of the projected attack on the right of association and the impending conflicts: his speech was a climax in the intellectual development of the Movement. He was heard with breathless attention, and the congress, *without a debate*, passed a resolution protesting against legislation of the kind proposed.

At the beginning of June, 1899, the bill was introduced into the Reichstag. It was entitled "Draft Bill for the Defence of Industrial Labour Conditions", but was commonly known as the "Penal Servitude Bill". The Bill raised the penalty for infractions of Para. 153 of the Industrial Code to one year's imprisonment: and for persons who commit such acts as part of their regular employment (meaning the trade union officials) the minimum penalty was to be 3 months' imprisonment. Anyone threatening or bringing contempt upon persons who refuse to participate in a strike were to be liable to the same penalty, and the most harmless

and pacific work as a picket was to be regarded as equivalent to the application of physical compulsion (Para. 153). In case of riotous assemblies meeting during a strike or lock-out, and endangering the safety of the Reich (1) or of any one of the individual German States, or constituting a common danger to life or property, the penalty was to be not less than 6 months' imprisonment: and should the danger become an actuality, the offender must be sentenced to penal servitude up to three years, while in the case of agitators the maximum sentence was to be 6 years.

At the first reading of the bill in the Reichstag, in June, 1899, there were difficulties even with the majority parties. The trade unions and Socialist Party set on foot a grandiose campaign which contributed not a little to produce this temper. The government needed both time and money to win over public opinion. It obtained time by adjourning the second reading. The source whence it hoped to obtain the necessary money was revealed by a letter sent in August by A. Bueck, the general secretary of the National Union of German Industrialists, to some of the big industrialists. Bueck told his correspondents that the Home Office had expressed to him the wish that "industry should place at the disposal of the Home Office 12,000 marks for the purpose of propaganda in favour of the Bill for the Defence of Industrial Labour Conditions."

Not till October, 1900, did the "Leipziger Volkszeitung" come to know of the letter. In November, 1899, the bill was thrown out by the Reichstag at its second reading.

Persecution of the Trade Unions by Police and Law Courts.

The rejection of the Penal Servitude Bill meant that the heaviest blow against liberty of association had been warded off: but the police and the lawcourts were all the more eager to show what they could do for capitalism with the help merely of the existing legislation.

(1) The term "Reich" is used throughout to denote the Empire or Republic, as opposed to the constituent states.

In 1900 the courts went so far as to punish the threat of a strike as an act of compulsion. Picketing, however peacefully conducted, was described as a gross abuse, and treated as such by police and magistrates. The methods used to prevent picketing became progressively severer until at last, at the request of an employer whose workers were on strike, the civil court used its powers to forbid picketing on that occasion both to individuals and the whole membership of the union. Hand in hand with the prosecution of pickets went the protection of blacklegs. Institutions to organise blackleg labour were maintained by the respective trades and industries, and were protected and fostered by the police. Then the trade unions were once more declared to be political associations, and brought under the regulations relating to these, which hampered their organisational work. Offences against these regulations were punishable acts. During this time many a member of the organised workers, many an official and even many a union fell victim to these petty persecutions; but the services rendered by the criminal courts to the employers were also sacrifices for themselves, since the magistrates, in performing these services, were risking with the utmost recklessness their own good name in the eyes of the world. The word "class justice" was on many lips in those days. "His Majesty the Blackleg" was declared by many a court judgment to be the most estimable and valuable member of human society. The statement of only *one* such citizen was of more weight in the eyes of the court than that of a whole series of strikers. We need give only one instance of the severity of the sentences passed under this "administration of justice". In 1899 nine building-workers who were on strike in Dresden-Löbtau dragged from their work some blacklegs, on whom they inflicted a bloody beating; they were sentenced to 53 years penal servitude, 8 years imprisonment and 70 years of forfeiture of the rights of citizenship.

In spite of these brilliant achievements of the courts, fresh attempts were continually made to confer on them greater powers by act of parliament, so that they might be the better able to fight the unions.

The trade unions had to be continually on the watch to repel all these attacks and threats. Not a single congress met without giving a large portion of its time to the discussion of them. The Munich Congress, which was held only a few weeks before the outbreak of the War, found itself compelled to protest against the interference of the parliaments and the courts of justice in the conflict concerning social policy, and their tendency to throw their influence on the side of the employers' interests and demands.

Trade Unions and Social Policy.

What the whip could not do, perhaps a piece of sugar might! The introduction of state insurance (against sickness, industrial accidents, invalidity and old age) which took place at the beginning of the nineties, and the accompanying strengthening of the legislative protection of Labour, were both the outcome of the hope that such institutions might be effective in curing the "discontent" of the workers, in which case the work of the unions would seem to be superfluous!

But these hopes were doomed to disappointment, for the trade unions at once threw themselves into the new social policy. They took upon themselves the additional task of defending the social-political claims of the workers, so that these new social interests of the workers turned out to be a means of benefiting the unions. When legislative successes were attained in this sphere, they were successes obtained by the unions, the fulfilment of *their* demands. When the worker wanted to put through his claims as based on the new legislation, he turned to his union for its advice as to how he could best do it. We have already said that through their Labour Secretariats, the unions had created special institutions to do his kind of thing. Trade union representatives now further attained a very dominating influence in the self-governing administrations managing social insurance, and in such work they found a new field of activity. They cultivated this new field with skill and success, thereby winning more and more of the confidence of the working class.

It is impossible to give here a survey of the growth of social insurance and legislation in Germany and the work of the trade unions in this field which can make any claim to completion. We must content ourselves with enumerating the most important features of it.

We have already dealt with the attitude of the unions to *unemployment insurance* and *employment offices*. The former question was discussed at the congresses of Stuttgart, 1902, Dresden, 1911, and Munich, 1914. The Stuttgart Congress accepted the system first introduced in the town of Ghent, under which the unemployment insurance funds set up by the unions received a subsidy from public funds (the Ghent System). The Stuttgart Congress demanded such subsidies from the imperial government: the Dresden and Munich Congresses also demanded that the support of the unemployed should be recognised as a public duty.

The unions showed special zeal in demanding the protection of *home-workers*. The Stuttgart Congress stood for the prohibition by law of homework. As measures of immediate application, it called for the extension to homeworkers, of the existing legislative protection, social legislation, and industrial inspection: and also for special protective measures to ward off the worst abuses of home work. The Congress further instructed the National Committee to convene a general homeworkers' protection congress, which was accordingly held at Berlin in March, 1904, and proved to be the starting-point of an intensive propaganda for the protection of homeworkers. In connection with this congress, an exhibition had already been held of the products of homework: but it was decided to organise a second one on a much larger scale and to use it as propaganda for greater protection for homeworkers: this second exhibition, held in Berlin in February, 1906, made an exceedingly deep impression on all who saw it.

In 1910 the Government introduced into the Reichstag a very unsatisfactory bill for homework legislation. The trade unions, it is true, succeeded in incorporating into it clauses providing for the establishment of Trade Boards to fix minimum wages, and empowering industrial courts to declare

wage agreements binding, but these important concessions to the principles and demands of trade unionism were deleted from the bill in later readings. However, a second German homeworkers' congress, held in 1911 at Berlin, pronounced very strongly for these demands, and it had been convened by trade unions of all orientations, acting in collaboration with social politicians from other parties. In the same year the Dresden Congress again emphasised the demands of this congress.

The Cologne Congress of 1905 had already discussed the question of the legal representation of labour. The Social Democratic Party had over and over again demanded that labour should be represented on public bodies, and had laid before the Reichstag bills for the purpose. They proposed the creation of *Chambers of Labour*, consisting of equal numbers of employers and workers: but the Cologne trade union Congress took a different view, preferring a Chamber of Labour which should consist of representatives of labour only. In 1908 the Government brought into the Reichstag a proposal for Chambers of Labour, which underwent many amendments, but was eventually rejected, because the Government refused to allow trade union and labour secretaries to be eligible for election to these bodies.

The trade unions also formulated a definite policy on other questions. Industrial inspection was dealt with at the Frankfort Congress, and the question of workers being compelled to accept the board and lodging provided by the employers at the two congresses of Cologne and Hamburg. The question of the protection of building workers had been dealt with much earlier—in fact, by *special building workers' congresses* convened in 1899 and 1903: but in 1910 this branch of activity was transferred to the Social-political Department of the National Committee, while in 1913 the trade unions made a demonstration on behalf of their demands on this point at an exhibition which formed part of an international building exhibition at Leipzig. Further, no sooner were

"Gewerbe- und Kaufmannsgerichte" (trade and commercial¹) courts) set up than the trade unions achieved successes in connection with them, appointing many Labour representatives on them.

Thus the trade unions took part in all branches of social-political work, sometimes putting forward demands and fighting to achieve progress, at other times actually cooperating in the work of social-political institutions. Their wise moderation in the formulation of their demands, and the business-like and reasonable, but determined way in which they defended their demands soon won the respect of circles of science and administration which had a practical social policy, and had founded in 1901 the "Gesellschaft für soziale Reform" (Society for Social Reform). For long the trade unions remained outside this Society but in these circles their views and judgment had weight. The admission of trade unions to the Society took place during the War. The "Verein für Sozialpolitik" (Union for Social Politics) which had been formed in 1874 was merely a research society dealing with national economics.

The employers, organised in the National Association of German Industrialists, had however issued in 1907 a social-political programme of a most singular kind, known as "Objections to Far-reaching Social-Political Aims, especially to the Burdening of Industry by Limiting and Cramping Concerns, Withholding Labour, Shortening Working Hours, Introducing Eight-Hour Shifts, and Restricting the Maximum Working Hours of Women Workers." Other demands of the

¹) Translator's note: A "Gewerbegericht" or "trade court" is the lowest form of judicial court in Germany, and has jurisdiction only over individual labour disputes between an employer and worker: it consists of a chairman, a vice-chairman, and at least four members, two representing employers, and two workers. A "Kaufmannsgericht" or "commercial court" is a judicial court with jurisdiction only in the case of individual labour disputes between a commercial employer and his employees or apprentices.

National Union were for a variety of changes in social insurance, (especially changes prejudicial to the workers in the autonomous organisation of insurance institutions) the retention of homework, the rejection of all limitation of Sunday work, continued opposition to collective agreements, and resistance to all attempts to encroach upon the authority of the employer in his own works.

Such were the social-political ideals of German employers.

4. Fighting the Power of Employers.

Strikes and Lock-outs.

The period from the repeal of the Anti-Socialist Act to the outbreak of the World War was rich in labour conflicts of every kind, and of very varying duration. The best evidence of their success is the substantial progress in the social and cultural situation of the working class. For Germany this 25 years was the period in which she won her place among the leading industrial nations of the world. Her economic progress was based, as is all permanent progress of the kind, upon a steady rise in the output of all the processes of production; and the service rendered by the trade unions was that, by their never-ceasing efforts, they succeeded in securing for the working class an increased share in the social harvest, obtaining for them a larger portion of the growing output. Throughout these conflicts the trade unions grew steadily in power, both through their increase in membership, and through the added wealth of experience which they acquired: with the help of both these sources of strength, they were in this period able in the midst of the bitterest struggles to bring to a high degree of perfection their tactical methods, which were nothing more nor less than a wise management of the resources at their disposal. During these twenty-five years, therefore, there was nothing monotonous in the fights waged, they were not, as they may have seemed to the enemies of the Movement, merely crude and perpetually recurring negotiations which were always of the same kind:

they changed their nature considerably in the course of time as a result of a great variety of influences. And although a stoppage of work has continued to be the last resort in trade union battles, it has long ceased to be, if indeed it ever was, the last word in trade union wisdom.

The curve of labour conflicts rises and falls with the fluctuating line of economic prosperity: labour conflicts increase in number and violence in good times, and decrease in bad times. The changes in the economic situation occurring throughout the twenty-five years are therefore reflected in the history of the labour conflicts of the same period. This is the first thing we notice in studying the fluctuations in the labour conflicts, but, thus broadly stated, such changes present only an incomplete picture of the development of labour conflicts, for other changes, likewise traceable to variations in the state of trade, also occur simultaneously in the inter-relations of the various kinds of labour conflicts. During the onset of a trade slump, there will be fewer wage movements without a strike, fewer aggressive strikes on the part of the trade unions, and fewer lock-outs. If strikes or lock-outs *do* break out, however, they will, although less numerous, be proportionately violent and obstinate. And at the same time the number of strikes called in order to *repel* employers' attacks on working conditions will increase. *When trade is looking up*, and especially at the beginning of a period of prosperity, the number and importance of labour conflicts will increase, and there will be a relatively large number of lock-outs, but at the same time the number of wage movements which achieve their objects *without a stoppage of work* will also increase. Successful wage movements without strikes will continue to increase in number as the boom in trade becomes more pronounced, whereas in the period when the rise of the prosperity curve was so slight as to be hardly noticeable, the working-class will continue to show their impatience by frequent stoppages of work. Besides fluctuations in trade, there are, as we shall see later, other factors which produce changes in the inter-relations of the various labour conflicts.

We have already pointed out that the trade slump which set in after 1890 caused the defeat of the unions in their conflicts, thus leading to a wave of pessimism among the working class as to the prospects for trade union success. Among the great conflicts of the time which roused much excitement we may mention the lock-out of the Hamburg tobacco-workers which began in November, and kept 3000 workers out of work for 16 weeks: two miners' strikes, one beginning in April, 1891, and involving 18,199 miners, and the other beginning at the end of December, 1892, and involving 30,000 miners: and the printers' strike for the nine-hour day in the winter of 1891-92, in which 10,000 operatives held out for ten weeks. But all these strikes were failures.

During the same period there were a number of boycotts in the brewery trades. The brewery-workers were addicted to this method, and it often brought them victory. The efficacy of the boycott in the brewery industry, due to the fact that beer is not indispensable, was in all probability one of the reasons why brewery-owners early showed an inclination to make wage agreements.

The trade boom which began in 1895 changed the general situation. In all branches of industry the trade unions proceeded to attack. During the whole period of this boom, from 1895 to 1900, the building-workers went on strike every spring in some part of the country or other: many of their fights were successful, and they too soon succeeded in bringing the employers round to the practice of concluding wage agreements. In 1896 the printers' operatives also renewed their agreement. Of special importance was a strike of ready-made clothing-workers, which broke out in February, 1896, in all the chief centres of the industry: in Berlin alone, 50,000 struck, including many home-workers. They formulated demands for wage agreements, the establishment of workshops, the concentration of small into large concerns, and employment offices managed by the workers. But these workers had little power, for homework was widespread, and their organisation had not yet taken deep roots, so that they were unable to hold out long. In many localities their strike was put

an end to by means of the intervention of the *Conciliation Boards* which had been set up in connection with trade courts (*Gewerbegerichte*)¹: the practical success was not great, but the strikes helped to draw public attention to conditions prevailing in home-work.

Of special importance, too, is the dockers' strike at Hamburg, which lasted from November, 1896, to February, 1897, and involved 17,000 workers. The strike extended to Bremen, and all efforts of the municipal authorities to inaugurate conciliation proceedings were frustrated by the stubborn refusal of the employers. The latter laid down humiliating conditions, which the workers, with equal determination, refused to accept. The workers fought obstinately, but lost the battle.

We have dwelt in some detail on the big strikes of this time, because it was during these years that the trade unions won the fundamental victories which finally brought them the confidence of the workers. The proportion of wholly or partially successful strikes rose in this period from 56.5 to 74.7%, and the membership of the unions rose from 259,175 in 1895 to 680,427 in 1900. When we remember that the fight against the Penal Servitude Bill occurred during this time, it will be realised that the achievements of the Movement were by no means small.

Among the labour conflicts occurring at the beginning of the new century which attracted much attention we may quote the struggle of the weavers of *Crimmitschau* in a strike and a lock-out to obtain the ten-hours day. This began in July, 1903, and ended in failure in January, 1904, 7000 workers having been locked out. 1905 and 1912 saw two strikes of the Ruhr miners. The object of the first of these was to improve the safety regulations. The strike began early in January with only a small number of strikers, but these numbers grew from day to day till between January 19th and February 9th over 200,000 miners were striking, work being resumed on February 10th. The strike of 1912 was to secure increases in wages: it began on March 11th, and ended on the

(¹) See note to p. 68.

19th : the military were despatched to the strike area, police and magistrates took the severest measures to crush the strike, and the members of the Christian miners' union, following the instructions of their union executive, acted as strike-breakers. This was sufficient to turn the scale and give the mine-owners the victory. In the years immediately preceding the War, two outstanding conflicts were a big lock-out in the building trade, and a strike of 9500 shipyard-workers, both in 1910. The building-workers' lock-out covered the whole of the country with the exception of Berlin and Hamburg, and involved over 200,000 workers. In the same period the wood-workers too were frequently engaged in conflicts, and they too succeeded early in establishing a comprehensive system of collective agreements.

Employers' Associations.

The Penal Servitude Bill was the last great attempt to use legislation for the crushing of the trade unions. When it failed, the employers set to work zealously to form organisations of their own, and to cultivate their lock-out policy. The National Association of German Industrialists had been in existence since 1876 : Von Kardorff, Bueck and Hassler were its founders and leaders, and the iron and textile industrialists constituted its backbone. The Association devoted its energies after the failure of the Penal Servitude Bill to the founding and extension of employers' organisations and the systematic combating of the unions. This era was heralded by a lock-out of 6000 Hamburg shipyard-workers in 1901 : the Crimmitschau lock-out was another substantial achievement resulting from the organisational work of many years, and it was used as an argument to induce the employers' unions to organise nationally. In March, 1904, a national centre of German employers' associations was founded, and soon afterwards, a second centre, the Association (Verein) of German Employers' Unions. This Association concentrated groups of employers in the finishing industries who had little liking for the reactionary extremism of the leading iron and textile in-

dustrialists in the earlier national centre. The two associations amalgamated however in 1913 to form the Association (Vereinigung) of German Employers' Unions. At this time the Association had a membership of 58,094, employing 2,275,805 persons.

The outstanding weapon employed by the employers' unions against the workers' unions was the lock-out. They also maintained Strike Insurance Funds.

The employers' unions were much addicted to terrorising trade unionists. They organised the system of the Black List, in which they recorded the names of officials and energetic members of trade unions. The lists were communicated to the employers with the result that the workers named in them were excluded from all employment. Each movement of importance brought in its train a series of victimisations, and the employment offices maintained by the employers undertook the business of keeping out of the factories workers who had once been discharged for trade union activities.

While seeking to get rid of their most dangerous adversaries, the employers also set to work to organise docile workers into associations which were financially dependent upon themselves. The idea was not a new one, for as early as 1867 Freiherr von Stumm had suggested the founding of such unions in connection with the establishment of Works Pension Funds and similar welfare institutions, such as workmen's dwellings etc. It was only now, however, that the idea was welcomed among wider circles of the employers. The systematic encouragement of the employers' unions now brought a certain amount of success to the endeavour to create works' associations and to equip them with funds. The organised workers called the members of these unions "yellow", and the term is still used to express the enormous contempt which the organised workers feel for these petted darlings of the employers. The yellow unions were equipped with pension funds at the employers' expense just as Herr von Stumm would have wished; and simultaneously with the

spread of them, there was a great advance in "welfare institutions". These were meant to chain the worker to the factory and the yellow union, and furthermore, to deprive him of all power of independent action.

Collective Wage Agreements.

Looking on these actions of the employers' unions as a connected whole, it must be admitted that their proceedings were systematic and thorough. Hence they were not entirely unsuccessful, although they did little serious prejudice to the unions, which steadily increased their membership, attaining in 1904 the first million.

On the other hand, however, these things were not without influence on the developing methods of trade union conflict. The *printing operatives* had, as we know, early begun to consolidate the results of past wage movements by concluding permanent wage agreements: they were the pioneers of the collective agreement system. In the trade unions, opinions were divided as to the usefulness of collective agreements: it was objected against them that they hamper the freedom of action of the unions, and prevent them from profiting by favourable moments to launch lightning attacks: also, that they bind the workers more than the employers, who would break their contracts when the moment was favourable to their doing so—which some of them indeed did. The Frankfort Trade Union Congress of 1899 considered the question and recommended the conclusion of collective agreements, but the deep dislike of them felt by many of the workers was not at once overcome. When, however, it became more and more evident that all the advantages of the lightning strike had disappeared now that the workers were up against the whole strength of the organised employers, even the workers themselves acknowledged the benefit of binding agreements.

The employers were resolute in their opposition to the collective agreement. Such agreements implied the recognition

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On the other hand, however, these things were not without influence on the developing methods of trade union conflict. The *printing operatives* had, as we know, early begun to consolidate the results of past wage movements by concluding permanent wage agreements: they were the pioneers of the collective agreement system. In the trade unions, opinions were divided as to the usefulness of collective agreements: it was objected against them that they hamper the freedom of action of the unions, and prevent them from profiting by favourable moments to launch lightning attacks: also, that they bind the workers more than the employers, who would break their contracts when the moment was favourable to their doing so—which some of them indeed did. The Frankfort Trade Union Congress of 1899 considered the question and recommended the conclusion of collective agreements, but the deep dislike of them felt by many of the workers was not at once overcome. When, however, it became more and more evident that all the advantages of the lightning strike had disappeared now that the workers were up against the whole strength of the organised employers, even the workers themselves acknowledged the benefit of binding agreements.

The employers were resolute in their opposition to the collective agreement. Such agreements implied the recognition

of the trade unions as a contracting party on an equal footing with themselves, and as the qualified and undisputed representatives of the interests of the working-class. Furthermore, no scrap of paper, they declared, ought to come between them and "their" employees : no outside power ought to prescribe the working conditions to be arranged between the employer and "his" employees. Against the claim of the trade unions to make labour agreements with them and their demand that it should be compulsory upon both parties to the contract (the worker and the employer) to observe the common agreement when a labour contract had been concluded between them individually, they urged the right of the individual to make free decisions. The courts also supported the employers on this point : in 1904 the National Court declared that wage agreements were alliances in the sense of Paras. 152 and 153 of the Industrial Code, that is, they were alliances from which each party might withdraw when it chose, and that the agreements were not such that there could be legal proceedings for breach of contract when they were disregarded. This meant neither more nor less than that breach of contract in the case of a trade union was declared to be an ethical and permissible act. But that did not prevent employers from prosecuting the unions, and claiming compensation for damages if trade unionists ever made use of this liberty to break the contract (a liberty which had thus been recognised by the highest court of the country) and went on strike in breach of an agreement, a course which the union executives took the utmost pains to prevent : when such incidents did occur, the courts disregarded the above-mentioned decision of the Supreme Court, and gave judgment against the unions. As a result of these experiences, the trade unions learnt to look with deep distrust upon any interference with the collective agreement system by state authorities : as was evident in 1914, when the München Trade Union Congress pronounced *against* any legal regulation of the collective agreement system, declaring that the ground was not yet prepared for such a step.

But trade union energy overcame this opposition ~~but~~ The unions forced widening circles of the employers to conclude collective agreements and trained them to be faithful to these agreements, which last they were able to do chiefly because they themselves were very strict in observing them. In certain industries, however, the employers made especially obstinate resistance to the collective agreement: the metal-workers' union, for instance, was unable to conclude any agreement before 1906. By the end of 1907, however, the total number of collective agreements had already reached 5,324, covering 111,050 concerns with 974,564 workers. In the following year a million workers were covered by collective agreements: by the end of 1910, the number had already risen to 1,300,000, and by the end of 1913 to 2,072,456. But before the War the number of workers covered by collective agreement had not attained the total membership of the trade unions, which at the end of 1913 was 2,548,763.

Wage Movement Tactics.

The wide spread of collective agreements is evidence of the growth of trade union power, in spite of all opposition. The trade unions had become a force to be reckoned with, and the collectivist principle for which they stood was becoming more and more important a factor in the fixing of working conditions. The employers had armed to the teeth against the unions, but step by step they were forced back from their original attitude of intrigue, and compelled to take into account the claims of the unions. On the other hand, any imprudence on the part of the trade unions might entail the worst consequences in the form of great lock-outs and large-scale victimisations.

This course of development was not without influence on wage movement tactics. In this environment the trade unions could only maintain their existence and advance if they were under well-considered centralised leadership. To ensure such leadership, it had been found necessary to augment the powers of the national executives in the way we have described, the

additional powers necessarily involving additional responsibility. Wage movements were now carefully and wisely prepared, and started with negotiations in which the way was carefully felt beforehand, and the time carefully chosen.

A resolution which was of great importance in moulding wage movement tactics was passed by the trade union congress held at Cologne in 1905. This resolution recognised in strong terms the principle that it is the function of the trade union itself, not only to manage the strike, but also to provide the means for the maintenance of the strikers. The requisite funds must be raised by contributions of sufficient amount to cover them: as a general rule, the method of raising funds by means of collections is to be reprobated. In exceptional cases the National Committee was to be empowered to start a relief action on the proposal of the union concerned, and with the approval of the other union executives.

The obligation to raise the funds themselves, and to have them in hand to begin with, instead of depending on collections, tended still further to deepen the sense of responsibility, and to inculcate greater caution in preparing and calling strikes. The decision to strike became more and more the last resource, to be adopted only when the situation was hopeless: and the union leaders learnt how to guard themselves against being manœuvred by the enemy into such a situation at an unfavourable time. The need for preventing this was another reason for centralised leadership. The assistance of the conciliation boards set up in connection with the industrial courts was increasingly sought by both parties for the *settlement of industrial disputes*.

The trade unions owe it to these tactics that they have been able to prevail over all attacks and all resistance, with the result that since 1906 the number of persons engaged in *wage movements and labour disputes* which do not come to a stoppage of work have steadily risen. The reasons for this are, not alone prosperous industrial conditions, but also greater subtlety in the management of wage movements and the extension of wage agreements.

5. Trade Unions and Cooperative Societies.

The German trade unions have always been on terms of the closest friendship with the workers' cooperative societies organised in the National Union of Consumers' Cooperative Societies. The Cologne trade union congress of 1905 discussed these relations, and recommended their members to support these societies by inducing their members to join them, to help the societies to produce on their own account, to avoid differences and unfriendly disputes with them and, in a word, to foster mutual friendliness on both sides. The cooperative societies in appointing their employees should apply first of all to trade union employment offices which recognise trade union rates and demands, should refrain from selling products of prison and home work, should give their orders to trade union productive societies (which however never attained much importance) and should observe boycotts. But the trade unions should settle differences with the cooperative societies by conciliatory means: if needful, even by arbitration.

On this basis, mutual relations between the two movements were in general satisfactory. If differences arose, it was found possible to settle them by conciliatory methods.

An institution which owes its existence to the combined efforts of the two Movements, and is managed jointly by them, is the Trade Union Cooperative "Volkspfürsorge" (National Welfare), a jointstock company formed to undertake insurance in the interests of the community. It was founded on December 12th, 1912. The shares of the company are divided equally between the trade unions and the cooperative societies.

IV. The Trade Unions during and since the War.

1. The War.

Unemployment and Loss of Membership.

On August 1st, 1914, the day on which the War broke out, the union executives met in conference. The Conference decided to issue a declaration to members, urging them to remain faithful to their unions during the War, and to ensure the continuance, so urgently necessary, of the work of the unions.

The first measures of the centre were taken in order to ensure the continued existence of the unions during the War. They were necessitated by two phenomena : the first of these was great *unemployment*, and the second a heavy *loss of membership*, due to mobilisation.

In July, 1914, 2.7% of the trade union membership had been unemployed : by August, that percentage had risen to 22.7. In spite of the large drafts of labour into the army, unemployment figures continued high during the next few months, being in September 16, in October 10.9, in November 8.2 and in December 7.2%. These were unusually high figures, for the highest degree of unemployment hitherto reached in pre-war times (reckoning on the basis of the average per month) had been 4.8 for members of trade unions. From April, 1915, the unemployment figures were again moderate.

The trade unions had to strain every nerve to support their unemployed members. In August, 1914, they paid out M. 1,648,120 in unemployment benefit: by the end of January, 1915, the total amount of such benefit had risen to M. 17,783,129 : by the end of July, 1915, to M. 21,578,506. In order to be able to meet this necessary expenditure, and to

obtain funds for the support of soldiers' families, the trade unions decreased the amounts of other benefits, or suspended them altogether.

The burden was so much the heavier, inasmuch as union funds had further been diminished by loss of membership. By 1st September, 1914, 27.7% of the male members of the unions had been mobilised (at the same date 16% were unemployed). The numbers of trade unionists mobilised rose rapidly: on July 31, 1915, they represented 42.7%, and on December 31, 1916, 64.1%, the maximum. From the last date onwards the proportion began to decline, for by that date a gain in membership had set in. On July 30, 1914, the unions affiliated with the national centre had a membership of 2,521,303, but on 31st December, 1916, only 944,713. On June 30, 1917, however, membership was again over a million, and by June 30, 1918, it had risen to 1,369,799. In 1916 financial recovery began. In 1914 and 1915 the unions were spending their reserve funds: expenditure exceeded receipts by about 8.5 millions in 1914, and 2.6 millions in 1915, while in 1916 receipts were once more some 4 millions higher than expenditure.

Even apart from other considerations connected with their attitude to the War, the Fatherland and the Government, the heavy loss of membership and the severe unemployment would have forced the trade unions to bring all wage movements, (especially strikes) to an immediate end after the outbreak of war and to avoid fresh ones. It was necessary to issue these orders, for there could have been little prospect of success for the individual strikers, and strikes would inevitably have exposed the whole movement to severe conflict which might well have ended in bloodshed. These pacific tendencies of the unions compelled the employers to follow their example: they too expressed their intention of refraining from action. In almost all trades agreements were made between trade unions and employers for the retention of existing agreements for the duration of the War, the probable length of which was certainly under-estimated. Thus arose the much-vaunted "industrial truce".

Social Policy and War Welfare.

The trade unions placed their wealth of social-political experience at the disposal of war welfare institutions. They co-operated in the organisation and application of these institutions in order to protect the working class against the consequences of the War and, side by side with the measures adopted for this purpose, they set up permanent social-political institutions in accordance with their own earlier demands.

In August, 1914, the trade unions, acting jointly with the Social Democratic Party, submitted to the national government a series of demands, of which we may mention the extension of Labour Employment Offices, the organisation of relief work, the reduction of working hours to eight per day, and public unemployment benefit. The Government did no more than send an appeal to the municipalities to establish welfare institutions for the unemployed. The trade unions supervised the measures thereupon taken by the municipalities, and as they found that the zeal of the latter for this genuinely patriotic work was by no means all that it might be, they continued their endeavours to obtain state funds for the assistance of the unemployed. They were so far successful that the National Federal Council issued a decree on December 18, 1914, placing 200 million marks at the disposal of the municipalities for weekly grants of assistance during the War, and for unemployment benefit.

In September, 1915, earlier organisations formed to look after the war wounded were combined for the purposes of more effective work under the supervision of a National Committee for the Promotion of the Welfare of War Disabled, on which there were trade union representatives. The organisation endeavoured to secure work and adequate wages and working conditions for the war wounded, and to protect the families of these against extortionate demands etc. in matters of food and housing; they further did work in connection with the establishment of colonies and pensions for war disabled and the dependent survivors of the fallen.

The trade unions also associated themselves with welfare institutions for soldiers' families, and the regulation of food supplies. They themselves disbursed in benefit to the families of soldiers 3 million marks during the first three months of the War, and 14.78 millions up to the end of 1915. Much of what was done in this sphere during the war was directly due to the influence and cooperation of the unions.

Regulation of Working Conditions.

The decision of the trade unions and employers' associations to maintain the wage agreements in force at the time of the outbreak of the War did not, of course, avail for the just regulation of wages and working conditions during the whole period of the four years of war. The position of workers sent back to work from the Army was especially difficult. If they asked for a rise of wages, they were threatened with re-mobilisation: it often happened that, under pressure of this threat, they were paid lower wages than other workers. The rates paid to the numerous home-workers employed in making military clothing and equipment were scandalously low. For similar reasons there were frequent disputes in the metal industry and at the docks: there was even, towards the end of 1917, a strike in the Upper Silesian coal-mining district. Everywhere the trade unions intervened to protect the workers' interests and to settle disputes. They used their influence with the military authorities, helped to get working conditions fixed by collective agreements, and to secure special food rations for workers doing heavy work in the armament factories, and first suggested and subsequently obtained the establishment of Conciliation Boards to settle disputes. The Conciliation Board for the metal works of Greater Berlin was the first institution of the kind.

The Auxiliary Service Act.

In the late autumn of 1916, the Hindenburg Programme for the establishment of a National Labour Corps was issued,

the idea being to extend the principle of national service to all work and service necessary for war. Every man between the ages of 17 and 60 was liable for duty in the National Labour Corps.

The Auxiliary Service Act was the result of this programme. The trade unions were consulted previous to the introduction of the bill, which had to be altered a good deal to meet their wishes before being finally submitted to the Reichstag. They had to be recognised as the legal advisers of persons liable to auxiliary service, and further, guarantees had to be given of the right of association in trade unions and freedom to hold meetings, for soldiers sent back from the Army for work. The legal protection of the workers was safeguarded by a system of works' committees and Joint Conciliation Boards. Works' committees (manual and non-manual) were declared compulsory for all auxiliary service underprises, not excepting those under the administration of the Army and Navy: the legal position of these committees was considerably consolidated, as compared with that of works' committees as laid down in Para. 134 of the Industrial Code: and women workers were made eligible to vote for and sit upon them. If disputes could not be settled by friendly agreement in the Works' Committees, final decisions upon the points at issue were taken by Joint Conciliation Bodies, consisting of three representatives each of the employers and workers (proposed by their respective organisations): the functions of these bodies were further extended to military and state enterprises, to workers sent back from the Army, and to land-workers. For the first time, therefore, Works' Committees (both manual and non-manual) and Conciliation Bodies were placed on a legal basis.

In all these activities, the "free" trade unions would, even in these times, often cooperate with the organisations of other orientations, the "Christian" (Roman Catholic) and Hirsch-Duncker unions. There was likewise joint action in the concluding of wage agreements. This cooperation of the trade

unions in preliminary work for welfare legislation and in the administrative bodies which did welfare work smoothed the way for the introduction of customs and ideas which were in harmony with trade union aspirations, and which subsequently, while still partially associated with wartime work, attained still greater development on the basis of the democratic form of government.

Political Demands and Political Strikes.

At the end of January, 1918, there was a strike movement among the workers of the munition factories of Berlin, Hamburg, Kiel, Danzig, Magdeburg, Dortmund, Munich, Nuremberg, and Furth. These stoppages of work were of the nature of a *political demonstration*: they arose out of the very deep desire for peace among the workers, who had been bitterly disappointed by the outcome of the Brest-Litovsk peace negotiations. The growing scarcity of food, and the refusal of equal suffrage rights for the Prussian parliament also helped to augment the widespread unrest: and the flame of discontent was further fanned by the annexationist agitation of the Pan-Germans, who had at that time secured a newspaper, "Deutsche Vaterlandspartei" (German Patriotic Party) for their clamorous propaganda.

By July, 1917, a conference of trade union executives had already passed a resolution demanding internal reforms from the national government, such as the introduction of the system of parliamentary government throughout the country, democratic suffrage for the parliaments of all the German states, and social legislation which "would ensure to the working class full equality in economic and political life and their advancement to an equal share in the cultural development of the nation." But the Government made no concessions. One of the trade union demands was for trade union liberty for the manual and non-manual workers of all state enterprises (Reich or individual state), which had been put forward as early as November, 1915. But in long and difficult negotiations, the Prussian Government had obstinately insisted that

the railwaymen should explicitly renounce the *right to strike*. In June, 1916, a "free" German Union of Railwaymen was at last formed, but it had no reference to strikes in its Rules, nor had it any regulations providing for strike benefit: instead, it demanded the establishment of Arbitration Courts to settle disputes arising out of labour and service regulations (regulations dealing respectively with manual and non-manual workers on the railways). The Union of Railwaymen was left unmolested, but during the negotiations, and in its own utterances concerning the trade union liberty of state workers, the Government had made so many reservations that, at any moment which seemed favourable, it could have reverted to its original standpoint, and refused to recognise trade union liberty. A few improvements had however been made in the national legislation dealing with trade union liberty.

But the rulers both of the Reich and of Prussia steadily refused all demands for permanent reforms. This it was which had provoked among wide circles of the workers the frame of mind which led at last to the strike movement of January, 1918. The National Committee at once negotiated with the Imperial Chancellor for the settlement of the conflict, demanding that representatives of the strikers should be convened from the Berlin munitions factories to attend the negotiations. The Chancellor refused to do this: he left it to the National Committee to conduct the negotiations with the strikers. But nothing could be done in this way, because some of the strikers held different political opinions from the National Committee.

At the beginning of 1917 the split of the Social Democratic Party took place: the Independent Social Democratic Party was formed. The strike of January, 1918, was managed by the Independents, who refused to allow the trade unions to take part in the action, and rejected all cooperation with them.

The strike was a complete failure. A meeting of the union executives, held on February 1st, 1918, approved the attitude of the National Committee. It adopted a resolution which

threw on the Government a good deal of the blame for the strike, but on account of the censorship the declaration could not be published until May, 1918, when the Annual Report of the National Committee for 1917 was issued.

The split of the Social Democratic Party and the founding of the Independent Social Democratic Party did not take place without prejudice to the trade unions. The open quarrels concerning war policy which were now distracting the two parties were reflected in the trade unions: the Independents criticised trade union policy as well as that of the Party. Where the Independents were in the majority, there were, both at this time and after the conclusion of the War, dismissals of old trade union officials, whose places were taken by others of radical views. But the unity of the trade unions remained intact.

2. The Trade Unions in the New State.

The Revolution of 1918.

On November 9th, 1918, a Republic was proclaimed in Germany. The defeated army returned home from the battlefields, the Kaiser fled, the power of the imperial government was in ruins, the political constitution of the Reich was destroyed, and the structure of society was shaken to its very foundations. The political power passed into the hands of People's Commissaries. Representatives of the two Social Democratic Parties took over the reins of government, in order to inspire the people with fresh confidence in the State.

But the trade unions, as a social power, stood intact on their foundations. In the midst of the shaking social edifice, they constituted a solid sub-structure which, to their friends as well as to their former foes, seemed well suited to support the pillars of the reconstruction of the social and political order. Many of the activities and demands previously advocated by them now proved valuable aids to this reconstruction. The

trade unions, therefore, having become accustomed during the War to take their share in public work, adopted a fundamentally different attitude towards the new order from that which they had taken towards the old. Since they themselves were sharing in the building up of this order, and were doing vital creative work in the construction of the new social and political constitution, they were in a position to incorporate substantial portions of their own political creed into the creed of the new constitution.

Then it was that they laid down the principles for, and took some concrete steps towards effecting a complete transformation in the legal and constitutional status of the working class and its organisations, and in the appraisal, socially, of the position of the worker. Looked at in the cold light of every-day life, these steps forward seemed no more than the "granting" by the employers and the government of a few simple demands of trade unionism. Gauged by the demands of the radical groups of the masses which had just been stirred to revolution, and by the promises of many leaders of these groups (who may at that time have made these promises in the honest belief that they could keep them), they seemed to be but small. But seen from a historical perspective, which can judge the present as if it were the past, and measure its importance by the past, this progress made by the trade unions takes on the deeper significance which we have just attributed to it.

Many legal and social facts bear witness to the greatness of this transformation. In principle, they lose nothing of their significance as the outward signs of an inward change from the fact that this or that measure of practical progress had afterwards to be given up or was stultified, or that this or that concrete aim could not be immediately attained. Nor is the view that there really has been an internal change disproved by the fact that adverse circumstances soon arose which prevented the trade unions from making full use of the vantage-ground which they had won to secure immediate concrete rights and advantages.

*The November Agreement with the Employers' Unions and
the Working Alliances.*

November 15, 1918, saw the signing of the "November Agreement", also known as the "Working Alliance Agreement", an agreement between the trade unions of the manual and non-manual workers of all orientations on the one side, with the employers' unions, on the other side, which is described in the Report on Activities of the National Committee, submitted to the Nuremberg Congress of 1919, as "a joint working basis for the reconstruction of the ruins of German economic life."

The November Agreement and the Working Agreement represent a combination of ideas arising partly out of the work done during the War, and partly out of other ideas which had acquired force as a result of the Revolution. For before the War was actually at an end, the trade unions had had to give a good deal of thought to the problem of finding work for the demobilised soldiers in the factories etc., and to the reconversion of the industrial machine to peace uses. They had had to urge the employers to consider these things also, and to stipulate that they should be consulted in any measures adopted to subserve these ends. Joint discussions on this subject were begun early, and under the pressure of the events of November, 1918, these took the form of the November Agreement, which was naturally more favourable to the unions than would normally have been the case.

The November Agreement opens with the following words: "The trade unions shall be recognised as the official representatives of the working class." It goes on to declare that restrictions on trade union liberty were inadmissible, and that the employers and employers' associations should withdraw their support from the yellow workers' unions. These provisions laying down in principle the reciprocal relations between the trade unions and employers' associations were followed by the enunciation of *principles for the regulation of working conditions*: all the workers demobilised from the armies were declared to be entitled to their former positions,

and their working conditions were to be laid down by collective agreements: every enterprise employing over 50 workers was to appoint a works' council to represent the interests of the workers: the collective agreements were to provide for conciliation or arbitration bodies: and the maximum number of regular working hours for all factories was to be fixed at eight per day.

The Agreement continued as follows: "The employers' and workers' organisations concerned shall establish a national committee consisting of equal numbers of representatives of both groups, and based on the principle of trade representation: this committee shall be entrusted with the duties of carrying into effect these agreements and taking the measures necessary for the demobilisation of the army, the maintenance of economic life, and the safeguarding of the workers' opportunities for earning their livelihood, especially in the case of disabled soldiers."

That part of the Agreement referring to the founding of the committee was known as "the *Working Alliance* of Industrial and Commercial Employers' and Workers' Unions." In Art. 1 of the Rules, it is declared that the object of the alliance is to "solve jointly all the economic and social questions relating to the industry and trade of Germany, and all the legislative and administrative questions connected therewith." The following administrative bodies were appointed as organs of the Working Alliance: a national executive, a national general council, trade sections with sectional executives and general councils, and trade sub-sections also with executives and general councils, all these bodies consisting of equal numbers of employers and workers.

It was planned to develop the collective work of the two parties to the agreement by cooperation with government bodies and to pass legislation at once to convert into a public body on a legal basis the organisation arising out of the combined action of the employers' and workers' unions. Cooperation between the sections and sub-sections etc. and the official authorities of the National Ministry of Economics was to be organised (according to the Report on Activities

of the National Committee submitted to the Nuremberg Congress) as follows : "The National Ministry of Economics shall establish for every industry an *Economic Federation*. The Economic Federation shall be subdivided into General Purposes Unions for the respective trades. These General Purposes Unions shall represent the industry, trade and consumers connected with the trade in question. That part of the General Purposes Union which represents the producers shall consist of delegates appointed by the respective sections of the Working Alliance concerned."

In this way the whole area of German economic life was to be covered by a network of self-governing economic bodies. In the judgment of the National Committee, expressed in its Report on Activities, "the workers would thus obtain facilities or decisive *cooperation in the settlement of social and economic questions*, such as they had never before had in the very slightest degree". But the subsequent course of development was otherwise.

Labour Law and Social Policy.

The Government also framed legislation on the lines of the November Agreement. The decree of the 23rd November, 1918, fixed the maximum working hours at 8 hours per day or 48 hours per week. The decree of the 23rd December, 1918, dealing with wage agreements, manual and non-manual workers' councils, and the conciliation of industrial disputes took the wage agreement as its basis, and effected a drastic change in the legal status of the trade unions. It declared written wage agreements to be legally binding, conferring on the competent authorities the right to declare wage agreements of special importance to be universally binding. The legal validity of wage agreements gives workers the right to claim that the conditions laid down in these agreements shall be observed on pain of prosecution in the lawcourts: the universal validity of wage agreements meant that these agreements were extended so as to cover the individuals and concerns within their geographical and industrial scope, even if

these persons and concerns had not originally taken any part in concluding them, because they did not belong to any one of the negotiating organisations. The legal validity of the agreements means that, whenever a wage agreement is concluded, it becomes a legal regulation on an equal footing with a regulation established by direct legislation. The government thereby transmits its legislative function in the domain of the fixing of working conditions to the coalitions of employers and workers, so that the very trade union organisations which had so recently been prohibited and prosecuted were now converted into organisations competent to create legislation.

The decree proceeded to lay down new regulations for the work of the *Conciliation Boards* which had already been created by the Auxiliary Service Act. Their function was to settle by arbitration all individual disputes arising between employers and workers. Later, the so-called Labour Extension Decree of February 20, 1920, enlarged considerably the powers of the conciliation bodies. This decree, whose most important clauses were repealed in 1923, was in itself important because it limited considerably the right of employers to dismiss their employees. It enacted that workers might only be discharged from a concern if there were no possibility of increasing the amount of employment available by working short time. So far as conciliation was concerned, the decree made an innovation: it gave the authorities the right to *declare binding* awards which had been rejected by the parties concerned. When the conciliation system was reconstructed by the decree of the 30th October, 1923, this principle was taken over: the decree, however, limited the intervention of the conciliation authorities to cases of dispute over collective work, that is, to disputes turning on the fixing of working conditions by collective agreements or alterations of such agreements. The conciliation authorities "shall assist in concluding collective agreements (wage agreements and agreements as to working conditions in the concerns)." Thus the government once more recognised the superiority and greater value of collective agreements, as compared with individual negotiation of the conditions of the labour contract. At the same time, more-

over, it recognised their claim to a voice in the collective fixing of working conditions. The organisations which exercise this function in the name of the state are the *conciliation authorities*, and one of the means by which they are enabled to accomplish their object is the declaration that their awards are binding. The result is that one or other of the disputing parties (under certain circumstances both of them) are compelled to accept the terms of settlement of a conflict as proposed in a conciliation award, even if, when left to their own judgment, they reject these terms. This is the origin of the compulsory collective agreement. As, like any other agreement, it binds the parties to keep the peace, unless they want to make themselves liable to pay compensation to the other party, it means under certain circumstances a limitation of the freedom of action of the trade unions.

We have given this explanation of the duties and powers of the conciliation authorities in accordance with the decree of the 30th December, 1923, in order to show the development and effect of the conciliation system as a connected whole. The decree of the 23rd December, 1918, contained other provisions for the establishment of manual and non-manual workers' committees, which have since been replaced by the Works' Councils' Act, of which we shall speak later.

Immediately after the close of the War, it was recognised that the *unemployed* must be supported by public funds (decree of the 13th November, 1918). The decree is based on the welfare principle: it makes eligibility for benefit contingent on the *need* of the recipient. For the moment the trade unions accepted this system, but they demanded unemployment insurance on the basis of autonomy, the unemployed person being rendered legally eligible for benefit through the fact of his having paid contributions. They further demanded that the administration of unemployment insurance should be linked up with a wide system of purely public *Labour Exchanges*, whose administration must also be controlled by representatives of workers and employers. Unemployment insurance and Labour Exchanges together—the last-named question was settled, but unsatisfactorily, by the Act of July 22nd, 1922—

must form a single instrument to carry into effect a comprehensive Labour market policy ; and with their combined help, organisations representing the community must exercise control over unemployed labour and labour vacancies so as to enable the workers available to be brought up to fill vacant posts as suitably and quickly as possible, and without needless friction. The Unemployment Insurance and Labour Exchange Act which came into force on October 1st, 1927, fulfils the most important demands of the trade unions. All the recent Labour and social legislation dealing with conciliation, unemployment insurance and Labour Exchanges are equally valid for manual and non-manual workers.

In this case, too, we have anticipated the chronological order of things in order to portray the subject as a consecutive whole. The principles of the social policy of the new State and of the incorporation of the—now recognised—great economic organisations of the workers and employers into the structure of the state and of society were meanwhile laid down in the National Constitution of the 11th August, 1919, with which we shall now deal.

What is a Trade Union ?

The conclusion of the November agreement and the working alliance tended to stimulate the cooperation between the different orientations of the trade unions, (viz., the "free", the Christian (Roman Catholic), and the Hirsch-Duncker), which had been initiated during the War. The Christian (R. C.) trade unions had meanwhile concentrated to form the "Deutscher Gewerkschaftsbund" (German Trade Union Federation), and the Hirsch-Duncker unions to form the "Gewerkschaftsring deutscher Arbeiter und Angestelltenverbände" (Trade Union Ring of German Workers' and Salaried Employees' Unions) both of which are national federations. One result of the recognition of the trade unions by the employers and the government was the mutual recognition among themselves of trade unions of different orientation. The trade unions therefore had to determine the character which an organisa-

tion must possess in order that it might obtain public recognition by employers and state and might claim the powers and rights associated with such recognition. State legislation had now begun to speak of "the economic associations of the workers", for which reason it was necessary to define what were the distinguishing characteristics of an organisation to make such a term legally applicable to it. The Wage Agreement Decree declared that written wage agreements concluded by these "economic associations" were binding. Thence arose the question: "How must an organisation be created whose agreements possess this quality of legal validity?" The importance of this question became evident later, when the employers' unions claimed that recognition and all the rights associated with it should also be conferred upon the workers' associations dependent upon the employers. In order to find an answer to this question, the national centres of the manual and non-manual workers' trade unions of the three orientations came to an agreement among themselves and for themselves as to the principles of composition, leadership, objects and methods essential to associations which desired to rank as "workers' trade unions". It is laid down in the agreement that "the financial means for promoting the objects of workers' trade unions shall be raised by means of members' contributions." "A workers' trade union must not accept any grants of a financial kind from employers or employers' organisations."

This definition of the term "economic association of workers" in the legal sense was also accepted by the National Working Alliance, and was further used by the Reich Minister of Labour and the provisional National Economic Council as the basis for decisions concerning applications for recognition as trade unions which were often subsequently submitted by organisations not belonging to any of the above-named national centres. Such recognition has hitherto always been refused (being reserved solely to the "free" trade unions (manual and non-manual workers), the Christian (Roman Catholic) and the Hirsch-Duncker unions: that is to say, if an organisation desires to be recognised as a trade union and to

secure the right to conclude a wage agreement, it must first of all obtain recognition by some one or other of the three recognised national centres.

Later, many opportunities arose of cooperation between the trade unions of the three orientations, both the national centres and the individual unions. Collective agreements were also very frequently concluded jointly.

The National Constitution.

In concluding the November Agreement and forming the Working Alliances, the idea of the unions was to make a start towards organising Labour as a unit forming part of the social system. But the means they made use of for this end—the working alliances—did not meet with unqualified approval from the workers. The idea of the Soviet system had found many supporters in Germany. Taking as their slogan the words “All power to the Workers and Soldiers’ Councils” (these councils were at that time in existence) they rejected the reconstruction of the political system on a democratic basis. This Movement denied the right and capacity of the trade unions to represent the working class in solving the question of the transformation of the economic system in the direction of the Socialist order of society. They claimed that this right should be vested solely in the workers’ councils, as concentrated in special organisations. These differences of opinion led to violent conflicts in the working class. So far as the trade unions were concerned, the question was settled at the Trade Union Congress of Nuremberg, 1919: we shall devote a special section to the matter. The kernel of the question was the transformation of the economic constitution,—socialisation, the right of the workers to a share in the control of the productive forces of the nation. Inspired by the idea that the organisation of production for the benefit of the community could only be effected by means of the council system, large masses of manual and non-manual workers, chiefly concentrated in the Ruhr District, Central Germany and Berlin, but with adherents also

In other parts of the country, proclaimed a strike in the spring of 1919 for the purpose of "embodying the council system in the national constitution". In this conflict, old and tried trade unionists were to be found shoulder to shoulder with others whose interest and influence in labour had only begun at the time of the revolutionary upheaval of November, 918. The trade unions were not opposed to this demand, although their ideas as to the best way of carrying it into effect differed from those of the supporters of the Councils idea.

The Government and National Assembly, which were debating the Constitution at Weimar, could hardly ignore this movement and its demands. The Government made proposals for the insertion into the Constitution of provisions organising Labour as a social unit, and the National Assembly accepted these proposals. They were thus embodied in the Constitution as Article 165.

Article 165 declares that it is the function of the manual and non-manual workers "to cooperate on an equal footing with the employers in regulating wages and working conditions, and in the whole economic development of the forces of production. The organisations on both sides and their agreements are recognised." The employers' and workers' organisations were to receive "legal representations" to safeguard their social and economic interests" in the form of works' councils, district labour councils and a National Labour Council. District Labour Councils and National Labour Council were, "for the fulfilment of all their economic tasks and for the purpose of cooperation in carrying into effect socialisation legislation, to combine with representatives of the employers and of other national circles concerned to form District Economic Councils and a National Economic Council." Social and economic bills proposed by the Government were to be submitted to the National Economic Council for its approval: and it was also entitled to propose such bills itself. The Labour and Economic Councils might be granted controlling and administrative powers in the spheres allocated to them.

In so doing, the Constitution has recognised as necessary the creation of an organisation of social production functioning in the public interest, and has laid down broad lines for its constitution and activities. It recognises the free organisations of the workers and employers, and further contemplates a graduated series of legal bodies representing manual and non-manual workers, who are to be linked up internally into a single unit and to be associated with the representations of the employers and "other circles concerned" to form a comprehensive system. Socialisation laws were also under contemplation, a Socialisation Commission, on which the trade unions were also represented, having been appointed in November, 1918 ; and it was to be one of the special tasks of the projected joint economic organisations to cooperate in putting these into effect.

Under Article 156, the national government may, through appropriate legislation, transfer suitable economic concerns from private hands to public ownership, and may confer upon itself, the individual German states, or the municipalities, a share in the administration of economic concerns and associations, or a decisive influence in same. Further, the national government may pass legislation which, in order to promote the management of economic undertakings and associations functioning in the public interest, shall concentrate such undertakings or associations on an autonomous basis "for the purpose of ensuring the cooperation of all the producing sections of the population, of associating employers and workers in the administration, and of regulating the production, manufacture, distribution, consumption, price-fixing, and the import and export of economic products on principles promoting the public welfare". Article 159 of the Constitution guarantees liberty of association for the safeguarding and promoting of labour and economic conditions for every person and trade. "All agreements and measures which tend to restrict or contravene such liberty shall be illegal." And Article 157 declare that "the workers are under the special protection of the national government. The national government shall create a uniform labour law."

These clauses of the National Constitution form the basis of the activities of the trade unions in the new state, and define the boundaries of these activities. It is the duty of the trade unions to fulfil the functions thus assigned to them in these articles, by their ordinary activities, by influencing legislation, by helping to ensure the application of legislation and also by making direct arrangements with the employers and their associations, their natural partners, who are moreover now allotted to them as such by the Constitution. Although free to determine their form and work, and unfettered in the choice of the means to be used to secure their objects, the trade unions are yet to a certain degree organs of the administrative machinery ; that is, they are units forming part of an administration of labour functioning in the public interest, of which the principle has indeed been recognised, and the first beginnings made tentatively and amid much opposition, although there is still much to be done before it shall have been brought to perfection. But the fact of their thus constituting a factor in such an administration does not alter their intrinsically revolutionary character : it does but increase the efficacy of their work.

The Kapp Putsch of 1920.

The new order of society which the trade unions had helped to create was shaken to its very foundations by the Kapp Putsch of March, 1920. On March 13th, certain troops, which had been ordered to demobilise, marched upon Berlin under the command of the insurrectionary General Lüttwitz and Kapp, a leader of the East Prussian agrarians. The armed bands seized the central districts of the capital, and took possession of the seat of the national government. Kapp and Lüttwitz, their leaders, declared the abolition of the constitutional government.

The trade unions and the Social Democratic Parties now mobilised the working class to repel the coup d'état, and to protect the constitution. The Executive Committee of the Trade Union Centre, which was at that time still under the

presidency of Legien, took over the management of the action and called a general strike. The organised workers obeyed the order at once and with splendid unanimity, so that in a few days the ghost of absolutism was laid. On March 22nd the general strike was called off. The method of the general strike, so long a point of contention between party and trade unions, was here applied for the first time. The trade union leaders, who had formerly regarded the use of the general strike with great uneasiness as a reckless playing with fire, did not hesitate to resort to it when the right moment for it had come.

But in order to maintain intact the republican order of government, upon which basis they could develop their activities in safety, the trade unions went a step further. They took part in the creation of a constitutional government, formulating a series of principles to guide it in its policy, and to bring back the political system, now in confusion, to ordered ways. Besides demanding decisive influence in the formation of the Governments both of the whole country and of the individual states, they insisted on the disarming of the troops engaged in the Putsch, the punishment of the leaders, the dismissal of unreliable officials from administrative posts, the development of social legislation, the safeguarding of the full social and economic equality of the workers, and the socialisation of the mines, power etc.

The deeper meaning of this active intervention of the trade unions in the political fate of the nation was pointed out by *Umbreit*. Writing in the "Korrespondenzblatt" (Press Service) of the national centre at that date, he said that, in order to put through their demands, the trade unions must enter political life "as a new factor, which must be consulted by government and parliament in all important steps. Democratic doctrinaires may regard such an arrangement as inconsistent with the constitutional rights of the representatives of the people. To these we can say only one thing: a parliamentarism which has congealed into rigid outward forms, without regard to the living and acting forces of the people, is a danger to the community. The Monarchist Putsch has

shown how easily democratic governments and parliaments can be dispossessed. But what cannot be dispossessed, and cannot abdicate or be dissolved, the one remaining power, the source of all the forces sustaining the state, is *the working nation*, whose economic unions have fearlessly taken up the challenge of the political and military traitors and have defeated them."

3. Economics and the Trade Unions.

The Nuremberg Trade Union Congress, 1919.

Even before the establishment of those constitutional principles which were important for the work of the trade unions, the tenth trade union congress was held at Nuremberg from June 30th to July 5th, 1919. The congress discussed the forms to be taken by an organisation providing for an order of production functioning in the public interest, and how the cooperation of the working class in this organisation could best be secured. On the agenda the item was defined as "Principles for the Future Work of the trade unions: Provisions dealing with the Tasks of Works' Councils", and this was the item which provoked most differences of opinion. *Th. Leipart* was rapporteur and *Richard Müller* represented the contrary view, speaking on behalf of the opinions of those who opposed the decision of the trade unions as to the founding of the working alliances, and being the spokesman of the Workers' Councils group.

The views taken by the congress will be seen from the general principles which it laid down for the future work of the unions. The congress declared that "the trade unions consider socialism . . . to be the higher form of national economic organisation." It thought that factory democracy and the conversion of individual labour contracts into collective agreements, for which the trade unions, with the aid of the workers' committees or works' councils, were striving, were important preparatory steps to socialisation: moreover, the further cooperation of the trade unions in the transformation

of the economic constitution was *indispensable*. In order to establish the right to a voice in the management of the factories, the "Principles" pointed to *works' councils*, but they were to be works' councils which functioned *in harmony with the trade unions*, and depended on their support in order, in collaboration with the managers of the concerns, to achieve factory democracy." Leipart emphasised the fact that the trade unions refused to participate directly in the management of concerns, for this would cause them to forfeit their independence. But he insisted on their claiming the right of cooperation at a higher stage of the organisational structure of the economic organisations functioning in the public interest, such as had been provided in the Working Alliances, and was subsequently contemplated by the Constitution. The Congress declared the *national organisations* to be the appropriate organisations for effecting the cooperation of the working classes in an order of production serving the interests of the community. Richard Müller however said: "The proletariat needs other organisations today." He meant by "other organisations" "a great Council organisation which should comprise all the creative forces of the people," and demanded of the trade unions that they should "adjust themselves to the revolutionary conditions", by making themselves a *part of these* organisations. Müller may have honestly regarded as mistaken the trade union method of winning influence in the machinery of production, founding working alliances, and concluding the November agreement,—but what he particularly objected to was their taking the initiative and meddling in a business which, in his opinion, was not theirs, but that of a councils' organisation, such as he imagined it.

This was indeed the kernel of the conflict, this question of the *form* of the new order, and *which* organisations should be competent to exercise the right to a share in control. The congress decided the question by accepting the "Principles" by a large majority. The particular points voted on were the closely allied provisions dealing with the duties of works' councils. 407 delegates, representing 3,007,425 members, voted for the proposal; and 192 delegates, representing 1,581,057

members, voted against it, while 37 delegates, representing 272,405 members, refrained from voting.

A second important point on which there was a difference of opinion between the National Committee (the majority of the congress) and the Opposition representing the Councils was the question of the *composition* of the economic organisations which were to work in the public interest. In a report on "Working Alliances", Richard Müller set forth in full his scheme for a central organisation of works' councils: he took the view that in this organisation for the management and control of economic life *only* the workers should be represented. He rejected the working alliances (whose importance and work had been discussed by *Adolf Cohen* in an address on the subject), because by adopting the method of equal representation, they were enabling employers to influence the shaping of economic life. Cohen then introduced a resolution confirming the working alliances, which was passed by 420 to 181 votes.

Besides this, the congress dealt with several other important questions. Besides the Report on Activities, addresses and counter-addresses (i. e. an address by some one taking the opposite point of view to that of the original rapporteur: Tr.) were submitted on the following subjects: Organisation of Working Women (rapporteur G. Hanna): Municipalisation of Labour Secretariats (rapporteur Peterhansel): Development of Social Insurance (rapporteur Hermann Müller): Socialisation of Industry (Umbreit and Dr. Hilferding): Agricultural Production and Settlements (G. Schmidt): Then, after an address from Leipart, there was a discussion of the rules of the National Centre, and it was decided to concentrate more closely the unions combining under the leadership of the National Committee, to be henceforth known as the "Allgemeiner Deutscher Gewerkschaftsbund (usually abbreviated to A. D. G. B.) or the National German Trade Union Federation. The *trades councils* as well as the A. D. G. B., were also given new rules. The councils were thenceforth to be the *local re-*

representatives of the Federation in the towns and villages ; and they were to be known as the Local Committees of the A. D. G. B. The fifth conference of Labour Secretaries, which preceded the congress, submitted to the latter a resolution on the subject of social insurance and also general principles for the transformation of the national insurance scheme : these principles were enlarged by Congress and then passed unanimously. The resolution demanded a standardised social insurance system covering the following branches : sickness insurance, maternity insurance, insurance against industrial accidents, and invalidity, death insurance and unemployment insurance. The congress decided not to discuss the item "Socialisation": Legien announced this fact, explaining that the rapporteurs had expressed the ideas held by the Congress.

Trade Unions and Works' Councils.

The Works' Councils Act of 4th February, 1920, which created legal factory representation, was the first step towards the creation of the labour bodies and economic organisations working in the public interest, which were provided for in Article 165 of the National Constitution. It was intended to provide facilities for representing the interests of *all* the workers of a factory, as against those of the employer. To effect this purpose, what was needed was a democratic institution for expressing the common desires of the workers, which could either be opposed to, or placed side by side with the desires of the employer. The *Works' Council*, fitted therefore by the election of its members, is the representative of the general will of the workers of the factory. The will of the individual worker is subordinated to that of the whole personnel of the factory. But similarly, the workers of the factory, regarded as a whole, and their representative and executive organ, the works' council, are subordinated to the will of the trade community, or the organised workers of the craft, as represented by the specific trade union. The constitution for the factory, in the form of the Works' Council, is by the law

dealing with the organisation of the trade made a part of the area over which the trade union has jurisdiction : it is a unit and an organ of the organisation covering the trade. In the Works' Councils' Act, therefore, the Works' Council is always referred back to the trade union and to the collective agreements made by the latter for the trade in question. The Works' Council is to exercise its functions in agreement with the trade union organisation : it can only conclude contracts with the employer (in the form of the so-called factory agreements) concerning the regulation of working conditions "within the frame-work of the existing collective agreements", and the supervision of the application of the collective agreements is one of its most important functions. In the constitution in force for collective labour, trade law stands above factory law.

When the first elections of works' councillors were held in the spring of 1920, the lists of the "free" trade unions secured the majority of the votes in almost every instance. The working-class was also on the side of the existing legislation. The German trade union centres for manual and non-manual workers (the A. D. G. B. and the AFA)¹) convened therefore a "free" trade union congress at Berlin on the 5th October, 1920. 500 delegates attended the congress, and the Opposition, which had meanwhile won the support of the Communist Party, spoke much and often. But a resolution introduced by *Dissmann*, declaring that the works' councils were "based on the trade unions and must be incorporated in the trade union organisations", obtained a two-thirds majority.

The trade union congresses of the A. D. G. B., held at Leipzig in 1922 and at Breslau in 1925, also discussed questions of the organisation of labour and works' councils. After hearing an address by Nörpel, the Eleventh Congress at Leipzig carried a resolution declaring that the works' councils constitute one of the organs of the trade unions ; and the

¹) AFA is the usual abbreviation for the "Allgemeiner Freier Angestelltenbund" (the National Free Salaried Employees' Federation).

Twelfth Congress, held at Breslau in 1925, after an address from Hermann Müller, formulated the demands of the trade unions in the sphere of labour law in a lengthy resolution, in which emphasis was laid on the fact that only the trade unions can be the legal representatives of modern collective labour law. This last phrase was aimed against the efforts which had in the meantime been made by the employers' associations to extend the practice of making factory agreements to settle working conditions, and to free factory agreements and the parties to them from the necessity of adhering to the clauses in the Works Council Act which make collective agreements binding, and specify the parties between whom they must be made. The employers were of opinion that factory agreements should be allowed, not merely within the framework of the collective agreements, but also in addition to and instead of them. Under cover of these "Factory Working Alliances", as this method of organising factories was called, the employers hoped to start a new kind of yellow factory union movement, to put an end to the compulsory application of collective agreements, and to combat effectually the share in the control of working conditions which these agreements conferred upon the trade unions. These plans were hatched by the employers' associations at the time when the collapse of the German currency, the economic depression and the exceptionally large unemployment in the autumn of the year 1923 had weakened the fighting capacity of the trade unions and wiped out their funds. The events of this period will however be dealt with in another section.

Economic Democracy.

Resolutions of the Trade Union Congresses of Leipzig and Breslau, 1922 and 1925.

Autonomous economic bodies, to which the employers, the workers (manual and non-manual) and the Government sent equal numbers of representatives, had meanwhile been formed for the coal-mining industry (the National Coal Union), the potash industry (the National Potash Council), and

the iron industry (the Iron Economic Federation). The trade unions were also given seats on the Foreign Trade Offices set up in the spring of 1920. The Foreign Trade Offices had been formed to prevent Germany's being sold out of goods during the period of the inflation: they fixed minimum prices, saw that these were observed, and fixed the import and export quotas. Furthermore, in order to go a step further towards the fulfilment of Article 165 of the Constitution, the provisional National Economic Council was created by decree of the Government of the 4th May, 1920. It consists of equal numbers of representatives of the trade unions of manual workers, non-manual workers and civil servants (of all three orientations, "free", Christian and Hirsch-Duncker), of the employers' organisations, and of experts nominated by the government. It is the supreme advisory organisation of the national government for all social, economic and financial legislation¹). In all these spheres the two "free" centres, the A. D. G. B. and the AFA Federation, always acted together. They also frequently adopted the practice of issuing joint manifestoes setting forth their views on current questions of economic policy, (questions of currency, customs and reparations, the conclusion of commercial treaties, and the taxation policy of the government.)

These beginnings of economic democracy were welcomed by the trade unions as opportunities for exerting influence on certain features in the structure of economic life and the development of the productive forces of the nation, but they (the unions) could not be content to stop there. Nor did the declarations and decisions of the trade union congress of Nuremberg make it absolutely clear to the unions themselves what system or form of economic organisation functioning in the public interest would be best calculated to attain their aims. The problem was too new and too great: the task for the trade unions too heavy, and the time too short and too much

¹) The bill for the final form of the National Economic Council was being drafted, while the German original of the present work was in the hands of the printers.

occupied with other burning questions of the day. Hence the trade union congresses of Leipzig, 1922, and of Breslau, 1925, also discussed the problem of economic democracy. At the Leipzig Congress, the item on the agenda dealing with these questions was entitled "Working Alliances and Economic Councils": *Rudolf Wissell*, a member of the Executive Committee of the A. D. G. B., was rapporteur, and *J. Simon*, the president of the Boot and Shoe Operatives' Union, replied to him. Proposals were submitted to congress demanding withdrawal from the Working Alliances, and the discussions and resolutions of the congress concentrated on this question.

Between the adversaries and the supporters of the working alliances there were certainly differences in tactics, but not in principle: there were varying views as to the value to the cause of Labour of one or the other *form* of these economic organisations serving public interests, but there was no divergence of opinion as to the necessity of fighting for a democratic economic organisation, in which the workers' interests would be defended *by the trade unions*. *Wissell* thought that *every* opportunity of the kind should be utilised, irrespective of its external form: while *Simon* and his friends rejected organisations with joint representation, such as the working alliances, as being useless and dangerous, because they believed that cooperation with the employers must lead the workers astray, and that the stifling of class-consciousness is an asset to the enemy.

The decision of the congress was uncertain. The voting on the proposal to withdraw from the working alliances was as follows: 345 delegates, representing 3,682,362 members were in favour, 327 delegates representing 3,803,186 members against it. 18 delegates were absent, representing 189,351 members.

The withdrawal of the trade unions from the working alliances took place in 1924, for reasons to which we shall revert later.

A more definite line was taken by the trade unions in respect of economic democracy at the Breslau Congress of

1925. To the item on the agenda, "Economics and the Trade Unions", there were two rapporteurs, *Professor Hermsberg* of Leipzig, and *Hermann Jückerl*, the president of the textile workers' union. The congress carried a resolution in which the trend of the present economic development was pointed out. The Congress considered that, in order to discharge economic tasks, *the active cooperation of the workers and their unions* is indispensable. "Economic problems can only be solved by the democratisation of economic life, together with the comprehensive rationalisation of work, better factory organisation and technical progress." The collective agreement had broken the absolute power of the employer in the factory, and the path towards the democratisation of economic life has already been taken. The congress called upon the unions to promote with energy consumers' cooperative societies and the productive enterprises started by these: also, all productive economic enterprises working in the public interest and under the control of the organised workers. From the government, the separate German states, and the municipalities, the congress made the following demands: the practical application of the principle of the full equality of the trade unions with the employers, as laid down in Art. 165 of the Constitution: the speedy conversion of the provisional National Economic Council into an economic parliament constructed on the lines of natural economic development, and the establishment of District Economic Councils: the founding of *Economic Chambers*, under the joint administration of the employers and the workers (instead of the existing public bodies consisting of employers only, such as the Chambers of Commerce, of Handicrafts and of Agriculture): the establishment in all industries of autonomous bodies in conformity with Art. 156 of the Constitution: the introduction of statistics of production: an increase in the number of economic enterprises under public management, and a rise in their output: the encouragement of free economic enterprise based on the principle of autonomy and functioning in the public interest, and of consumers' cooperative societies: and the train-

ing of all factory-workers, men and women, and especially works' councillors, in factory organisation and in technical and economic matters (to be effected systematically and with trade union cooperation): and lastly, the augmentation of the controlling powers of works' councils. The congress declares—so run the closing sentences of the resolution—that the leadership of the German working class must in all economic questions rest with the trade union organisations. The A. D. G. B. is the common organisation of the German unions for the purpose of the united representation of all the interests of the working class.

This resolution combines the definition of the *object* of the economic conflict of the working class, i. e., the conversion of the present economic order into an organisation of labour in the public interest, with the compilation of a *Present-day Programme*, fitted to form from now onwards the basis of the practical work of the Movement for the attainment of this end. This is its significance. Its demands in respect of the question of the establishment, composition and functions of the National Economic Council, the District Economic Councils, and the Chambers of Economics were set forth in still greater detail in a further resolution carried by the Congress.

"Free economic enterprises, based on the principle of self-government and functioning in the public interest" are the words used in the Breslau resolution when describing the organisations created by the "free" trade unions in the building industry to deal with housing. It was in 1919 that, thanks to the initiative of the building workers' organisations, the so-called "Building Guild" (Bauhütten) Movement was started. The founders and members of the institution were not, as in the case of the productive cooperative societies of an earlier date, the manual and non-manual workers of the building societies themselves, but the trade unions of these workers. The chief object of the society is to build well and cheaply for the masses, chiefly small tenement houses and

settlement residences. In order that they might be managed on uniform and practical lines, the societies were centralised in September, 1920, in the "Verband sozialer Baubetriebe" (Union of Social Building Enterprises) which was promoted by the national trade union organisations (the A. D. G. B. and AFA Federation).

In March, 1924, another institution was founded for the purpose of partnership with the societies: this was the "Deutsche Wohnungsfürsorgegesellschaft für Arbeiter, Angestellte und Beamte" (German Housing Welfare Society for Manual and Non-manual Workers and Civil Servants) abbreviated to the D. E. W. O. G. The Dewog is the national centre comprising many branch societies, founded in the larger cities of Germany. The relation of the Dewog societies to the "Building Guilds" is that of the giver of a building order to the building contractor receiving it. The duty of the societies is to promote the building of dwellings in the public interest as an employer of building workers, and to protect the economic interests of the working class in the sphere of housing and settlement. They make preparations for building, acquire land, subsoil and building materials, give out the order for the building to a Building Guild, and then hand over the dwellings, when completed, to the occupier who either rents or buys them. The founders and present members of the Dewog Societies are the free trade unions as a whole, that is to say, the two national centres, the "Bank der Arbeiter, Angestellten und Beamten" (Labour Bank), the Union of Social Building Enterprises, and further, the individual national unions, together with the trade councils and the local branches of the unions. On October 1, 1924, the Labour Bank founded by the two "free" national centres took in hand the business of the Dewog Societies. Furthermore, early in 1924 the "Bueropa" was founded, an enterprise for the supply of all office requirements which is under the joint management of the trade unions and the Labour Bank.

A very considerable amount of agreement exists in the question of economic workers' control between the "free", the

Christian and the Hirsch-Duncker (democratic) unions. The AFA Federation pursues the same ends as the A. D. G. B. The German Federation of Trade Unions (Christian) and the Trade Union Ring (Hirsch-Duncker) have frequently issued manifestoes which are in many points identical with the Breslau resolution of the A. D. G. B. In February, 1927, the Executives of all three orientations passed a joint resolution, comprising their demands in the *cartel and monopoly question*. They demand a Control Office for those cartels and other employers' organisations, which are strong enough to exert substantial influence on the market. Furthermore, to safeguard the public interest, representatives of the working class should be given seats on the management of all economic organisations of the above-mentioned nature.

4. The Form of Organisation.

Resolutions of the Trade Union Congresses of Leipzig and Breslau.

The amalgamation into industrial unions of unions catering for allied trades and the fusion of smaller unions into larger ones made considerable progress after the War. In 1920 the upholsterers amalgamated with the Saddlers' Union, and the music-printers with the Lithographers' Union, in 1921 the Cooks' Union fused with the Bar, Café and Restaurant Employees' Union. In 1923, the stone-setters joined the stone-workers, and the furriers the clothing-workers. The asphalters, glaziers and potters joined the building workers' union which has now, as an industrial union, assumed the name of the Building Trades Federation: further, the ships' carpenters joined the metal-workers' union, and the domestic employees the German Transport Federation.

These practical results of efforts to secure greater concentration, and the eagerness to further those amalgamation negotiations which were still pending again brought into the foreground the question of the best form of organisation.

which meant the revival of the question of *industrial unions*. The discussion of the subject focussed on the question: should the Movement leave the future form of organisation to develop spontaneously, as had been the case with the industrial unions which were already in existence, or should it make the acceptance of the principle of the industrial union compulsory for all the unions affiliated with the A. D. G. B., mapping out the whole area of organised labour in accordance with the principles of industrial unionism, and compelling the unions to adjust themselves to the demarcation lines thus laid down?

The Leipzig Trade Union Congress of the A. D. G. B. sought to settle the question. One of the items on the agenda was "Forms and Methods of Organisation of the Trade Union Movement", and *Tarnow*, president of the wood-workers' union, was rapporteur. He also declared for the industrial union, alleging that this will be the future form of organisation. But he rejected the principle of making any one type of organisation compulsory, demanding full freedom for the unions to adopt any form which is best suited to their special requirements and the specific nature of their situation. *Dissmann*, president of the metal-workers' union, spoke on the other side, and urged greater stringency. The resolution proposed by him in conjunction with other leaders of very large organisations was adopted. The Congress instructed the Executive and General Council of the A. D. G. B. to prepare a draft scheme for the formation of industrial unions and the demarcation of their boundary lines, and to submit it to the unions for their views. The Executive and General Council appointed a Commission to undertake this work.

The Commission did so, submitting their findings to the Meeting of the General Council of the A. D. G. B. of June 12, 1925. At this meeting, three different views of the subject at issue were represented by as many groups.

The adherents of industrial unionism submitted to the General Council a scheme prepared by *Dissmann*, which not only sought to lay down general principles for the creation of industrial unions, but also undertook to indicate the organi-

sational construction of these and their sphere of influence. It divided the whole organisational area into 15 industrial unions. A second group opposed this scheme and declared that the transformation prescribed by the Leipzig resolution might possibly be effected by mutual agreement: but it did not think that there ought to be any arbitrary interference with the present lines of development. A third group also considered that there should be no compulsion in reconstructing the trade unions, but unlike the second group, it accepted in principle the views of the Leipzig resolution: it too held that the sound line of development was by mutual understanding between the trade unions in question.

The two last groups were agreed in believing that, side by side with the centralisation of the administration etc., it was also desirable that there should be an increase in the institutions set up by the national centre for the promotion of common interests in the economic, political, social and legal spheres.

The view of the Executive was that it was impossible to solve the problem by way of compulsion through a binding resolution of congress. It thought, however, that an amendment of the Rules of the Centre might further the desired concentration.

This was the state of things when the Breslau trade union Congress was held, to which the question was again submitted. This time *Grassmann*, the deputy president of the A. D. G. B., was rapporteur. *Dissmann* had submitted a proposal setting forth his views, and giving full reasons for them. The Congress, however, carried by a large majority a resolution to the effect that it considered *voluntary amalgamation* of the unions the best policy, for the future as well as the present: it nevertheless instructed the Executive to do its best to promote the creation of industrial unions. To prevent one union from suffering prejudice through a wage action by another union catering for a closely allied trade, the congress declared it to be the duty of the affiliated unions to adhere strictly to the rules of the centre which laid down that, when

wage movements were to be started which would cover sections of several unions, or would in all probability involve these in the course of the conflict, such unions should come to a previous understanding, and agree as to the conduct of the Movement.

Towards Industrial Unionism.

Thus the ground was prepared for the further advance of the amalgamation movement. Not long before the Congress there had been amalgamation of the National Union of National Railway Officials, an organisation catering solely for officials, with the German Railwaymen's Union, the two together forming the "Unity Union of the Railwaymen of Germany". A similar proceeding was the amalgamation of the National German Postal Union, also an officials' union, with the German Transport Federation. Other very important movements of the kind were either concluded, or well advanced in the year 1926. One of these promoted the amalgamation of the unions of glass-workers and pottery-workers with allied sections forming part of the Factory-workers' Union, the result being the formation of a large independent section for these workers in the Factory Workers' Union. This movement has now been successfully concluded: the Potters' Federation, belonging to the Factory-workers' Union, was launched into existence on August 1, 1926. Another movement of the same kind was that aiming at the fusion into a single organisation of the four unions of the food-workers' industry, viz.— the German Food-workers' Union, the Union of Food and Drink Workers, the National Union of Butchers, and the Coopers' Union: by the end of September, all four unions had passed resolutions in favour, and the amalgamation was therefore effected. A similar movement was set on foot by the Unions of Railwaymen, Municipal and State workers, Engineers and Stokers, and the German Transport Federation, the idea being to fuse these unions into a large organisation comprising all the workers of the transport and communications industry, and the public services. These

organisations also include some of the civil servants (postal, railway and municipal employees) whose sphere of work lies within the area covered by them (the transport workers) : if these amalgamations take place, the new union will be not merely a civil servants' organisation of considerable strength, but, in fact, the largest organisation of civil servants among the ranks of the "free" trade unions. It is impossible to say whether these efforts will be successful in the near future.

5. The Struggle with Communism.

In the years succeeding the War, trade union work was perpetually being disturbed and frequently being diverted into channels prejudicial to the workers and thereby hampered by the influence of forces which are really alien to trade unionism. They were mobilised, organised and led by the Communist Party.

We call the opposition of the Communists an influence emanating from forces alien to trade unionism in so far as their action was directed towards serving the interests of the political movement and Communist action, without helping forward trade union work. Whenever these respective interests were mutually antagonistic, trade union members of the Communist Party put party interests first. They placed their loyalty to the decisions of their party and of the Communist International before their duty as regards trade union discipline.

The object of this movement was to "conquer" the trade unions. That is to say, to permeate the membership more and more with members of the Communist Party, so that the leading posts in the trade unions might ultimately be held by Communists, in which case the resources and memberships of the unions would be wholly available to serve party purposes. The methods used by the Communists to effect this end were many and varied, the only guiding principle being that all means are good which lead to the desired end. One means alone was not among those adopted by the Communists, or, at any rate, was but little favoured by them : they did not

rely upon intellectual effort and honest argument, and thus attain to the leading positions by legal democratic methods. For one thing, the democratic method is a slow one: for another, the Communists refused to apply democratic constitutional principles in trade unionism, just as they did in political life. They therefore applied the same methods of sudden and violent attack ("Putschism") which they used in political strife to their party work in the trade unions: in the trade unions too they fought illegally.

They formed their members in factory and local trade union branches into "cells" or "nuclei", with leaders of their own, and these cells passed resolutions in accordance with instructions of the trade union centre of their party, or the Red International of Labour Unions (the Communist trade union international). The members of these cells or nuclei acted unitedly against the union leaders in union meetings, striving on these occasions to secure the acceptance of the "cell" resolutions. The cells and nuclei were like "storm troops", they were intended to "draw the masses after them". In accordance with the propaganda of these cells, any and every opportunity was utilised to organise meetings within and outside the factory on behalf of the demands of the Communist Party: and in fact, if possible, to do this in working hours. If this caused conflict with the managers of the factory, it only benefited the cause of the "opposition". Any little wage movement, no matter how small, was used to the full as a pretext for manœuvring, with the help of the groups of cells, stoppages of work of considerable duration. If these movements ended in failure, which was nearly always the case, or if the disputes were settled by the intervention of the trade union officials, in order to prevent yet greater prejudice to the workers, the Communists were still more delighted. It was an excellent pretext for branding the trade union leaders as "traitors".

In elections to works' councils, the Communists had their own lists of candidates, which they set against those of the trade unions. They also organised conferences of all descrip-

tions, works' councils' conferences, unemployment meetings, "congresses of working members", etc., in order to obtain a platform from which they might make known their catch-words and declaim against the trade unions. It is impossible to describe the general characteristics of these demands and complaints, for the slogans were constantly changing, and changing so completely that there would be the wildest discrepancy between one and another : indeed, the whole method of procedure had no practical object beyond that of subordinating the power of the unions to party purposes.

Not satisfied with their attainments in respect of cell-building, the Communist Party went further, and decided to establish its own *separate organisations*, "revolutionary" organisations. These they formed for clothing workers, miners, building workers and railwaymen. All these organisations, (the cells, groups, and separate unions) were closely concentrated nationally in the Communist trade union centre. From this centre they received their instructions in the form of circulars, or through national or district conferences held in strict privacy. The Centre also provided the groups with ample propaganda material for current use.

It was in 1922 and 1923, when the devastating effects of the inflation were being felt, that this movement reached its climax. For a long time the trade unions bore patiently with the Communist propaganda in the unions. They did, of course, defend themselves by speeches or press articles, but they abstained from more drastic measures. Eventually, however, disciplinary measures became inevitable. It would have militated against trade union discipline if groups of members had permanently been allowed to violate rules and resolutions : and it was intolerable that these groups should form separate groups within the unions and deliberately organise opposition to the rules, resolutions and leaders of the unions, an opposition which was dictated by an outside political party. The unity of the movement would have been totally destroyed. At last, therefore, the trade unions decided to expel members acting in this way. These expelled members combined to form the kernel and origin of the separate organisations subse-

quently maintained by the Communist Party: but they declared that it was the trade unions which were guilty of disrupting the movement. In 1924, the Executive of the A. D. G. B. found itself under the necessity of dissolving various local branches which were under Communist influence, because they no longer discharged their duties in accordance with the Rules of the Centre, but acted under instructions from the Communist Party.

But meanwhilst the Communists had again changed their tactics, for their attempt to found separate organisations had proved a failure. The Communist International now (in 1924) demanded that these unions should be dissolved: the order was obeyed, in spite of hesitation and internal friction in the German Communist Party. In 1924, therefore, the groups which had seceded from the railwaymen, miners, building workers and clothing workers again joined those unions. The slogan for Communist trade union policy now issued by Moscow was "a united front" of the red with the Amsterdam trade unions. But only the label had been changed: the object of Communist propaganda—the conquest of the trade unions—remained the same. At the Fifth Congress of the Communist International Zinovieff himself interpreted the united front slogan in the following terms:

"If anyone really believes it is a question of close alliance (wedding) with the Amsterdammers, we no longer welcome him as a comrade. If I were to desire to wed the Amsterdammers, it would be your duty to show me the door. At least, that is what I should do to anyone who really did desire such a union."

Now, however, Communist influence in the unions may be said to have been overcome. The working class has recognised the hollowness of the movement. This is evident from works' councils elections, and elections to the executives of local branches and to congresses of unions. In 1925 a sharp decrease was already observable in the number of votes for Communist candidates, and by 1926 the votes had sunk very low indeed. At the union congresses which took place in 1926, the Communist delegate groups were hardly

heard at all, whereas only a year or two previously all the congresses had been taken up with violent disputes with the Communist representatives. Of the 314 delegates to the Breslau trade union congress, only 3 were members of the Communist Party.

The results of works' councils' elections in the national railways and mining industries give a very clear idea of the rise and fall of the Communist movement. In the case of the railways, the percentages of votes were distributed, during the period 1921—1926, as follows :

	Free Trade Union Lists of Candidates	Communist Lists of Candidates
1921	75.95	—
1922	73.23	7.17
1924	61.71	19.46
1925	65.36	9.24
1926	72.73	2.06

In mining, taking into account all the various mining areas of the country, there were in 1922 6,620 works' councils members. Of these, 66.48% were "free" trade unionists, and 13.60% were elected from lists compiled by the Communist Union of Hand and Head Workers. In the Ruhr District alone, the proportion was 42.2 and 27.8. In 1923, no elections were held on account of the occupation of the Ruhr. In 1924, the ratios for the whole mining industry were respectively 52.57 and 22.37% : for the Ruhr District 33.85 and 34.23. Thus, in the whole mining' industry the proportion of Communists had risen considerably, and in the Ruhr District the Communist works councillors outnumbered the "free" trade unionist council members. Both on the railways and in the mines the Communists attained their zenith in 1924. 1925 saw in the mining industry a restoration of the proportions of 1922 : of the 6620 works' councils members, 65% were free trade unionists, and 13.73% Communist. In that same year the Union of Hand and Head Workers joined the Miners' Union.

6. Economic Depression and Labour Conflicts.

Demobilisation and Inflation.

German post-war economic history, regarded from the trade union point of view, naturally falls into two periods, which are distinguished sharply from each other by the collapse and restoration of the currency. The first period begins with the demobilisation in the winter of 1918-19, and ends with the invasion of the Ruhr in February, 1923, which was a direct cause of the collapse of the currency which took place in the autumn of that year. The demobilisation of the army was accompanied by extensive unemployment. On January 1, 1919, 905,000 persons, and on February 1st, 1,076,000 persons were in receipt of unemployment benefit. The situation was ameliorated, firstly, by relief work and the compulsory employ of the workers who came back from the front (imposed upon the employers by legislation), and secondly, very soon, and in increasing degree, by the beginning of the depreciation of the currency. In proportion as the German currency depreciated, German industry was enabled to drive out its competitors from the World market. In June, 1919, the number of unemployed in receipt of benefit was 620,000 ; a year later, it was only 272,000. There were subsequently slight increases in unemployment, but during this period it never again reached the figures of the demobilisation crisis. The year 1922 especially showed an improvement : on February 1st, there were still 203,000 unemployed, but on August 1st only 15,000. The prosperity due to inflation had at that date reached its zenith, a sign that the reaction was not far distant. This began in February, 1923, with the occupation of the Ruhr.

Collective Agreements.

During the whole of this time working conditions were very widely regulated by collective agreements, the system being on the upgrade. In this respect the November Agreement was faithfully kept by the employers. Furthermore, the

rapid progress of the currency depreciation and the depths to which the mark fell, made it impossible to regulate working conditions in any other way. On account of the steady fall in the value of the mark, the period of validity of wages agreements became shorter and shorter, and it was found necessary to regulate wages and salaries more and more often. It would have been a sheer impossibility to arrange all these numerous changes of wages with each individual employer.

The trade unions succeeded in rendering their negotiations technique very elastic, so that they were able to adjust their agreement to the changes in the value of the currency. In the summer of 1923, after the conflict in the Ruhr, they were nevertheless obliged, to come to an agreement through the intermediary of the National Minister of Labour, with the employers' unions, accepting a system for the automatic adjustment of wages, which was based on a method of computation arranged between the parties. Week by week, workers' wages were fixed afresh for manual and non-manual workers and civil servants, so as to bring them into line with the loss in the value of the currency which had taken place during the preceding week. Wage agreements were often negotiated either directly, or by way of conciliation procedure, but in a time when throughout the whole of trade and industry the workers were perpetually being forced to propound new demands, there could not fail to be strikes. The year most prolific in strikes was 1922, the period of the climax of the prosperity due to inflation: there were in that year 4348 strikes in industrial enterprises, and they covered 1,604,250 workers. The same year saw the system of wage agreements reach its maximum: at the end of 1922 there were 10,768 wage agreements, for 890,237 concerns, and covering 14,261,106 persons. It was at this time also that trade union membership reached its climax: the average membership of the A. D. G. B. throughout the year 1922 was 7,895,065. The change in the legal position of the unions, the growth of their prestige in public opinion, the great extension of the wage agreement system, (agreements being almost the only means used to fix

the working conditions of the labour contract) the many and varied functions of the trade union representatives, as exercised in conciliation, mobilisation, and other work, in providing housing accommodation for the returning soldiers, and in preventing dismissals and the closing of factories—all these factors made their influence felt in attracting the hitherto unorganised workers into the trade unions.

But the ebb began even before the close of the year. The initial impulse was the invasion of the Ruhr in February, and the work was completed by the collapse of the currency in the autumn of that same year.

The Ruhr Conflict.

On January 11, 1923, French and Belgian troops marched into the Ruhr district, this method, that of taking direct control of the most important part of the German machinery of production, being the one selected by the French Government for effecting the fulfilment of the reparations liabilities of Germany, and for recouping herself for what she alleged to be a failure on the part of Germany to discharge these liabilities. If this measure were to be successful, the French and Belgian Governments would need the cooperation of the German workers of the occupied district in the task before them: and it was in order to prevent such success that the executives of the "free" unions of manual and non-manual workers met this procedure on the part of these foreign governments by "passive resistance", that is, by a refusal to do any work under the orders of the foreign military authorities. The "free" trade unions issued an appeal, declaring that they were still prepared to make compensation, so far as the capacity of German industry permitted, but that they regarded this act of military violence as militating against the economic conditions requisite for the discharge of these liabilities, if indeed it did not wholly destroy them.

In the Kapp Putsch, the question at issue had been the maintenance of the Republican constitution against its foes: the present issue was the preservation of the unity of the National

Republic and of German economic life against an invasion by foreign foes. In both cases, the trade unions threw into the scale the weight of their influence, but in the second instance they were less successful than in the first. On August 13th, the Cuno Government, which was responsible for the Ruhr conflict, fell from power. It was succeeded by the First Great (so-called) Coalition Government, comprising Centre, Democrats, German People's Party, and the Social Democratic Party with Stresemann as Chancellor : and it put an end to the Ruhr conflict.

The Inflation Crisis of 1923.

The Cuno Government had financed the Ruhr conflict by issues of paper money, and therefore the immediate result of this policy was the collapse of the currency, the complete dislocation of economic life, and a catastrophic economic crisis. At the beginning of August, the American dollar was worth a million German marks on the Berlin Exchange : in a few days it jumped up to 3, 6, and even 10 millions : on November 1st, the New York exchange was for the first time a billion marks to one dollar. The German mark had disappeared from the world currency market. But with the help of the "Rentenmark", the currency was restored in a comparatively short space of time, and in the same month of November German money possessing permanent value was already in circulation. This was the most important condition for the resumption of normal economic conditions : but for the trade unions the results of these events had been nothing short of catastrophe.

Their reserve funds were all annihilated, and the contributions when they came in were valueless. Unemployment rose to unprecedented heights. On December 1st, 1923, the number of unemployed was 23.4%, and that of short-time workers was 47.3% of the total membership of the trade unions. Members lost confidence : they left the unions in the lurch, for they thought that they too had been left in the lurch. During the time while the old currency was still in

circulation, the basis for the reckoning of wages was for the time completely destroyed: and yet it was necessary to establish a new basis for the reckoning of wages according to the new currency. The employers offered a wage of 20 Pfg. per hour, and further demanded the surrender of the eight hours day and the diminution of "social burdens". All this, they said, was necessary to clear the way for the reconstruction of German economic life. They further started a campaign against the binding force of collective agreements and in favour of the "working alliances" which have been already mentioned. In addition, their associations pronounced for the recognition as genuine trade unions of the new "company unions", which had just organised a national centre known as the "Reichsbund vaterländischer Arbeiter- und Werkvereine" (National Federation of Patriotic Labour and Works Unions"). These, they urged, must be declared competent to conclude binding agreements, and must have the same rights as the genuine trade unions in nominating representatives to the social self-governing bodies functioning in the public interest, to the conciliation and industrial courts, to the administrations of the public Labour Exchanges, to the National Economic Council, and to all bodies of the kind which may be created in future.

This act of the employers' associations was an open breach of the November Agreement of 1918. Further co-operation in the Working Alliances was under these circumstances impossible, for which reason the A. D. G. B., the AFA Federation and the Federation of Salaried Employees (Hirsch-Duncker) withdrew from the Alliance in January 1924, only the Christian trade unions continuing to be a member of it.

In certain respects the policy of the employers was a success. Legal restrictions of the right of dismissal and of the right to close factories were nearly all repealed, only inconsiderable and ineffective fragments of them still remaining in force. The Working Hours Decree of November, 1918, which had made the eight hours' day the legal maximum working day, was now replaced by the decree of the 21st December, 1923, which permitted extensive exemptions from the eight

hours' day. But this decree did not please the employers, for it laid down that such exemptions were primarily to be effected through the collective agreements. This tied the employers' hands in the fight which they had determined to wage to the uttermost against the collective agreements: they had made up their minds even to refuse to accept compulsory arbitration awards, but now they found that when they wanted to lengthen working hours, they were forced to recommence the concluding of collective agreements over a wide area. Notable representatives of employers declared at that time that by this means the collective agreement, which had been proved to be "of no value", was restored to importance by underhand means.

This was the background of the disputes which now took place. The year 1924 was the year of fight for working hours and for the fixing and raising of wages.

Conflicts during the Period 1924-1926: the Present Position.

The economic situation had speedily improved. At the time of the introduction of the new currency, only a very small amount had been put into circulation, so that it was soon possible to increase the amount of the circulating medium. This and other circumstances facilitated economic recovery: the number of unemployed and short-time workers decreased: on June 1st, 1924, these figures were still 8.6% and 8.2% respectively: by July 1st, 1925, they had fallen to 3.5 and 5.3% of the trade union membership.

This helped the trade unions. They profited by the improvement in the situation, and the years 1924 and 1925 were therefore periods of great and vigorous conflict. The following are the figures for strikes and lock-outs, considered separately:

	Conflicts	Number of		Working days lost
		Enterprises	Workers concerned	
		Strikes ¹⁾		
1924	1,581	17,427	969,956	13,198,470
1925	1,516	16,329	795,864	11,027,499
		Lock-outs ¹⁾		
1924	392	11,003	1,096,378	22,663,111
1925	224	8,826	329,936	5,818,333

In these conflicts the trade unions restored the *level of wages* which had been shattered by inflation and deflation, and attained a substantial improvement in wages and salaries. The average national wage per hour fixed by collective agreement was ascertained by the A. D. G. B. in December, 1923, to be 51.5 Pfg., in December, 1924, 69.3 Pfg., in June, 1925, 80.7 Pfg., and in December, 1925, 87.1 Pfg.

The trade unions were less successful in their fight for the *shorter working day*. This was the point at issue in the extraordinarily large number and extent of the lock-outs of 1924. It was by means of these lock-outs, conducted on a large scale and quite ruthlessly, that the employers were enabled to secure the lengthening of the working hours. And the state conciliation authorities did a good deal to help the employers to attain their desires for collective agreements fixing working hours at over eight hours. The method of declaring arbitration awards binding was now employed very freely to frustrate the efforts of the workers to resist a lengthening of working hours: it was by agreements forced on them by compulsory arbitration that the trade unions were compelled to accept the longer hours. This fate was avoided only in certain branches of industry. During this period, and thanks to these experiences, the working class lost all confidence in the conciliation authorities, and there was an urgent desire to put an end to the compulsory wage agreement sy-

¹⁾ These figures relate only to strikes and lock-outs of industrial manual workers. The wage actions of salaried employees and land-workers were however numerically unimportant.

stem. It is extremely difficult to obtain reliable and full information as to the results of this strife concerning working hours, although the official statistics dealing with wage agreements furnish some criteria. According to these statistics, 6,506 agreements in force on the 1st January, 1925, (covering 636,550 concerns and 10,918,093 persons (91.7% of all the persons covered by wage agreements), contained regulations dealing with working hours. Of these 10,918,093 persons, 5.1% had (under their agreements) up to 42 working hours per week, 3.2% from 42 to 45 hours per week, 3.3% from 45 to 46 hours per week, 0.3% from 46 to 47 hours per week, 77.2% 48 hours per week, and 10.9% over 48. But these clauses in the collective agreements do not necessarily mean that these working hours were not exceeded in practice, because most of the agreements concluded on the basis of the Working Hours Decree of 21st December, 1923, allowed a certain amount of elasticity, within which the actual working hours varied from factory to factory and from time to time. In the last year or two, under pressure from the employers, very wide use has been made of these facilities for exemption from the working hours as fixed in the agreements.

The area covered by the collective agreements was retained almost intact by the trade unions. This area had reached its maximum in 1922: at the end of that year there were 10,768 agreements covering 890,237 factories and workshops and 14,261,106 persons: on January 1st, 1925, that is, at the end of the most difficult year, a year which in its effects was decisive for the period, there were still 7,099 agreements, covering 11,900,000 persons.

In the autumn of 1925 there was a new and devastating economic crisis. From November of that year the number of unemployed and short-time workers again rose to almost unexampled heights. In October, 5.8% of the members of the unions were unemployed, in November 10.7, in December 19.4, in January, 1926, 22.6, in February 22.0 and in March 21.4%. The number then sank to 18.6% in April, and continued at about this level. The number of unemployed in receipt of benefit was on

June 15, 1926, 1,750,000, of whom 276,470 had already been unemployed for over 6 months.

This high figure of unemployed and short-time workers during the first half-year of 1926 was the decisive factor in the situation of the unions: they were compelled to be extremely careful in starting wage movement. The resistance offered by them to the employers in the two preceding years (1924 and 1925) now proved its value: they were able to reap the advantages of the failure of the employers to decrease to any very large extent the area covered by collective agreements. There were, it is true, still many conflicts, a considerable proportion of which broke out because the employers terminated wage agreements in order to satisfy their desire to cut wages. But most of these wage movements were settled by means of agreements or through the state conciliation procedure. The wage agreements proved to be almost everywhere impregnable.

During the second half-year there was an improvement in unemployment. The number of unemployed members of the A. D. G. B. trade unions fell to 17.9% in July, 15.6% in September, and 14.5% in October and November, but rose again in December to 17.2%. There was a slightly greater fall in the number of short-time workers, which in July was 15.9 and in December only 7.1%.

The trade unions at once sought to trim their sails to suit the favourable wind. Collective agreements still formed the basis of actions, and the wage positions were almost without exception maintained, and in many cases even improved. The hourly wages fixed under the agreements remained stable. According to statistics compiled by the A. D. G. B., the national average wage per hour at the end of 1925 was 87 Pfg., and at the end of 1926 87.1 Pfg. Losses did not fail to occur, but they were compensated by gains in some other quarter.

But the ultimate criterion for the position of the movement in 1926 was the number and extent of wage conflicts, as compared with the previous year. According to provisional figures, the number of strikes of industrial workers was in 1926 only 283, against 1516 in 1925: they covered only 1769

concerns instead of 16,326, and only 48,319 workers instead of 795,864 : while only 806,653 working days were lost, against 11,028,499 in 1925. Of lock-outs, there were 39 in 1926 against 224 in 1925 : they covered 738 instead of 8826 concerns 38,553 instead of 329,936 workers, and caused the loss of 508,450 working days instead of 5,818,333. The decline as compared with 1925 is therefore very striking. It is especially noteworthy that the figures for the strikes in the first three quarters of 1926, taken together, were as follows :

<i>Strikes</i>	<i>Factories</i>	<i>Number of</i>	
		<i>Workers concerned</i>	<i>Working days lost</i>
232	161	24,932	671,716

while the figures for the last quarter alone were :

<i>Strikes</i>	<i>Factories</i>	<i>Number of</i>	
		<i>Workers concerned</i>	<i>Working days lost</i>
51	608	23,687	134,877

This sharp rise in the last quarter of the year marks the change which had by this time taken place. By the end of the year the trade unions had finally overcome the evils resulting from the worst and longest industrial depression which Germany has ever had to endure.

The great and prolonged unemployment had of course bitten into *union membership*. The unions forming the A. D. G. B. had in January, 1926, 4,182,511 members, against 4,213,545 in September, 1925.

Trade union funds recovered with wonderful rapidity from the inflation catastrophe. In 1924 the income of the unions of the A. D. G. B. was M. 97,037,600, and their expenditure M. 69,071,119 : for 1925, however, they were respectively M. 147,526,701 and 125,874,093. The increased income of 1925 had been obtained by means of a rise in the contributions : in 1924, the average contribution per member was 19.04 marks, but in 1925 32.78.

One of the foremost social and economic tasks of the trade unions was to look after the unemployed and to secure

their re-absorption in production. The trade unions aimed at finding work for the unemployed, besides providing them with an adequate benefit. They demand not merely relief work, but the provision of funds sufficient to ensure normal employment, and a kind of employment which will not only secure the much-needed sustenance of the unemployed, but will also (a primary necessity) stimulate economic life in general. The fifth meeting of the Executive Committee of the A. D. G. B., held at Berlin on the 4th and 5th October, 1926, taking as its starting-point the great unemployment, demanded emergency legislation to shorten working hours. The AFA Federation and the Christian and Hirsch-Duncker trade unions cooperated in this procedure. The demand is still unfulfilled and constitutes the jumping-off ground for *fresh conflict of the unions for the shortening of the working day to eight hours.*

Such is the position of the fight of the German trade unions at the moment of concluding this work. The German unions have not been blind to the new demands of a changed era; they have endeavoured to find solutions for urgent problems with the help of the wisdom harvested through long years of experience. In all the chaos and struggles of the post-war period, they have remained true to their traditions: and the whole movement has attained intellectual and organisational unity. They have taken firm possession of new and more favourable vantage-ground in political and economic life: they have worked untiringly for the study and solution of new questions and tasks: they have guarded and fostered that most precious possession of the working class, the internal strength and the external magnitude of their economic organisations for waging their daily struggle for wages and bread: and by these means they have strengthened the foundations upon which they will build for the attainment of permanent successes in the future.

The terrible economic experiences of Germany during the post-war period did indeed shatter for the moment the machin-

ery of the unions, but no permanent harm was done either by the economic depression or by the efforts of the enemies of trade unionism, favoured though these were by economic events. Having thus passed unscathed through this fiery testing-time, they may surely look forward to new growth and prosperity in the near future.

V. The Non-manual Workers' Movement.

By BERNHARD GÖRING.

Before the Close of the World War.

Before we conclude this book by describing the present situation of the German trade unions and their conflicts of to-day, we must give some account of the nature and situation of the non-manual workers' trade unions, in so far as their specific characteristics render this necessary. We cannot do this without casting a glance back towards their history in pre-war times and during the War, for the first beginnings of the movement reach back to the middle of the 19th century.

The first commercial assistants' associations were originally organisations of employers and employees, for the purpose of finding employment and promoting social purposes. The technicians had their own scientific associations. The groups of technicians and those of the foremen and commercial assistants were middle-class in outlook: they were nationalist in politics and rejected strikes on principle. They felt no ties with the working class, but trusted to their own special position of confidence to win for them before long some leading post in the enterprise, even if they did not mentally already feel themselves to be employers. This mental attitude was then, and to some extent is still encouraged by the employers. The first associations of non-manual workers therefore formed a special class which stood midway between the bourgeoisie and the proletariat, and devoted all its energies towards contact with the Right. These associations were the precursors of the present German "Harmony unions"¹⁾, which in the first decade of the 20th century attained considerable num-

¹⁾ "Harmony unions" = yellow unions holding the principle of co-operation with employers.

bers. They were headed by the Nationalist Commercial Assistants' Union, and some unions which have now joined the Federation of Salaried Employees (Hirsch-Duncker). We shall devote a special section to these groups.

It was not till towards the end of the 19th century that a trade union movement was started among non-manual workers. The *National Union of Commercial Assistants* and the *Union of Clerks* were the pioneers of "free" trade unionism among commercial and clerical employees. The former was founded in 1897 and the latter in 1894. They are now amalgamated in the *National Union of Commercial and Clerical Employees*.

For engineers and technicians, architects and chemists the *Federation of Industrial Technical Officials*, founded in 1904, and the *German Technicians' Union*, founded in 1884, did pioneering work in trade unionism. They are now amalgamated in the *Federation of Technical Employees and Officials*, commonly known as the BUTAB (Bund der technischen Angestellten und Beamten).

The social movement of foremen began with the founding in 1884 of the German Foremen's Union.

The above-named organisations have been doing work for many years side by side. In contradistinction to the organisations proclaiming "industrial peace", they maintain the standpoint of class conflict. They recognise the strike as a method of trade union conflict, and to this end have introduced a system of strike benefits. They are demanding the speedy dissolution of the present economic order, to be effected by means of a carefully-planned system of economic socialism. They seek relations with the workers' trade unions: both the National Union of Commercial Employees and the German Union of Clerks were members of the national centre long before the World War. The commercial unions are waging a fierce fight for the seven o'clock closing of shops, and for a free Sunday in commercial establishments: while the technicians' unions are fighting for patent rights and combating the clause in employers' labour contracts which prohibits their taking service with another employer in the same

trade. It is of especial importance that they should make their influence felt in the labour market for non-manual employees, where even now conditions beggar all description. Like the non-Labour unions, they are also introducing unemployment benefits. Contrary to these, they stand for the establishment of a general standardised system of sickness insurance, covering both manual and non-manual workers, and oppose the creation of special separate insurance centres.

The first attempts to concentrate genuine trade union non-manual workers' unions occurred at the time of the fight for state old age pensions for salaried employees. This fight took place in 1907, and gave rise to a difference of opinion: on one side was the so-called "Hauptausschuß für die staatliche Pensionsversicherung der Privatangestellten" (National Committee for State Old Age Pensions for Commercial and Clerical Employees) with which the bourgeois unions were affiliated, and on the other, the "Freie Vereinigung für die staatliche Pensionsversicherung der Angestellten" (Free Association for State Old Age Pensions for Salaried Employees). In opposition to the views of the "Hauptausschuß für den Ausbau der Invalidenversicherung" (National Committee for the Extension of Invalidity Insurance), the "Freie Vereinigung" advocated the standardisation of social insurance for manual and non-manual workers, while the neutral salaried employees' unions fought for a separate insurance system for themselves. During the following years it was this difference of opinion as to a standardised labour law which promoted the closer concentration of the salaried employees' trade unions. In 1914, the predecessors of the present AFA unions organised a great demonstration at Berlin on behalf of the principle of a standardised labour law, and put forward this principle as one of the most important conditions for the establishment of labour solidarity. The "Arbeitsgemeinschaft für das einheitliche Angestelltenrecht" (Working Alliance for a Standardised Labour Law) which was then founded extended the scope of its activities during the War, and eventuated in September, 1917, in an "Arbeitsgemeinschaft freier Angestelltenverbände"; or Alliance of Free Salaried Employees' Unions.

The War itself was not without effect on the inner organisational structure of the "free" trade union salaried employees' unions. Women and girls flocked into industrial life. An increased number of young persons were taken on as salaried employees and entrusted with difficult work in finance, transport and communications and trade. On the other hand, the unions were compelled to pay benefit to widows, orphans and disabled persons. The movement remained stationary.

Progress after the War.

In the new situation in which they found themselves at the close of the War, the working population of Germany turned eagerly to the trade unions: even the salaried employees recognised the need for trade union organisation. Thousands flocked into the "free" trade union organisations for salaried employees: both the national unions, and their local branches found it difficult to cope with the enormous organisational work thus thrown upon them. The number of salaried employees in general had greatly increased as compared with pre-war times. The last pre-war census gave the number as 1½ millions: and that of 1925 showed that, counting both men and women, the number had risen to over 4 millions. It is easy to understand, therefore, that the "free" trade union salaried employees' organisations soon numbered over 750,000. Besides the commercial and technical employees, including foremen, other trade groups now began to recognise the importance of "free" trade union principles, and sought to form connections with the "free" salaried employees' unions. These include the National Union of German Bank Officials, founded in 1912, and in 1920 converted into the National Union of German Bank Clerks: the Society of German Theatre Employees, which had been founded in 1871; the International Artistes' Guild, founded in 1901, the German Builders' Foremen Union, which, founded in 1902, assumed in 1922 the title of the German Building Foremen, Foremen and Shaft Over-

men's Union, the German Mine Machinists' Union, the Union of Cutters and Forewomen, the Union of German Ships' Engineers, the Union of German Navigators, the Foremen's Union of the Boot and Shoe Industry, the German Chorus Singers and Ballet Dancers (which had already been affiliated with the National Committee) and lastly, the AFA Federation of Polish Upper Silesia, formed after the division of Upper Silesia.

New work, hitherto little regarded, is awaiting the attention of the "free" trade unions of salaried employees. The influence of the trade unions on the State and the social order, of which mention has already been made, the recognition of the trade unions by the State, and the more recent social legislation and other purely labour legislation, specified earlier in the present work, made it necessary that all the salaried employees' organisations which take the standpoint of the "free" trade unions should be more closely consolidated than heretofore. At the first congress of the AFA, which was held at Düsseldorf in 1921, the earlier "Arbeitsgemeinschaft" (Working Alliance) was converted into the "Allgemeiner Freier Angestelltenbund" (National Free Salaried Employees' Federation). The affiliated unions now have a membership of over 750,000.

The Principle of Organisation in the AFA Federation.

The unions affiliated with the AFA Federation have complete independence: the executive takes the utmost care not to interfere with the autonomy of the unions. In important disputes with the "free" trade unions concerning the question of industrial or craft unions, the AFA Federation has always represented the principle of the craft union. The special characteristics of the position held by the salaried employees (whether commercial or technical) and the special functions of these employees, who are often placed in charge of the manual workers, or have to give orders which the latter must carry out, make it undesirable even from a trade union point of view that the worker and the employee should belong

to the same union. All such attempts in Germany have been failures, this being due partly to the above-mentioned special characteristics of the work of the non-manual worker, and partly to the mental outlook of the non-manual worker himself. It will take many years of trade union work to root-out the class prejudices which are still being fostered by the neutral unions. Joint discussions have led to the conclusion, therefore, that the A. D. G. B. and its unions must recognise the general principle of the need for large *craft unions* for the non-manual workers. Cooperation with the workers' unions is however guaranteed.

In accordance with the principle "March separately, and strike together", an organisation agreement was concluded in April, 1921, between the A. D. G. B. and the AFA Federation. (See Appendix.) This agreement formed the basis of the co-ordinated work. By concluding this agreement the workers' trade unions recognised that the position of the salaried employees in their trades and in the social order demanded special treatment, in order to win them over to "free" trade unionism. It was not merely a case of eliminating the prejudices of these sections of workers : it must always be borne in mind that the employees with leanings to "free" trade unions were then, and still are opposed by a strong group of other employees with a very different outlook.

The same internal reasons caused the A. D. G. B. and the AFA to make attempts, as early as 1921, to establish a "free" national centre for civil servants. The economic conflicts of the year 1922, especially the railwaymen's strike, showed only too clearly that there cannot be victory without a united front of all groups of workers. The civil servants' organisations had till then belonged to the German Civil Servants' Federation, which alleged that it was absolutely neutral, politically and economically. Despite all the efforts of the two "free" national centres, it has not been possible to win this German Civil Servants' Federation over to "Free" trade unionism. On June 18, 1922, therefore, the "Allgemeine Deutsche Beamtenbund" (National German Civil Servants' Federation) (abbreviated to A. D. B.), was founded at Leipzig, as the third pillar of the

"Free" Trade Union Movement. At the time of its founding it comprised a membership of nearly 400,000. The cooperation of the manual and non-manual workers with the "free" trade union civil servants was established by an organisation agreement similar to that concluded between the A. D. G. B. and the AFA.

The Structure of the Unions.

All the unions affiliated with the AFA are centrally organised. The modest local organisations which existed in earlier days have long since sought affiliation with their competent national unions. They are built up on the principle of craft unionism. Many sections representing the various branches of trade have been formed to safeguard the interests of members. Side by side with the fight for the attainment of better working conditions, the benefit system is excellently organised: in addition to strike and victimisation benefit, there is unemployment and sickness benefit. A few figures will serve to show the increase in the amount of the unemployment benefit in the last few years. The German Foremen's Union expended in 1926 M. 2,361,871 in unemployment benefit alone. Some Afa unions have very good sickness centres of their own. At the congress which recently met in May, 1927, the National Union of Commercial, Clerical and Technical Employees decided to establish a special old age pension fund also. The larger AFA unions will follow this example.

The functions laid down by the Rules are discharged partly by paid officials, and partly by honorary ones. It should be added that the work of the individual unions is not limited to wage movements and benefit schemes: much social and economic work is also undertaken. In the social sphere, the unions devote most of their attention to such special questions as six o'clock shop-closing, and Sunday rest for shop assistants, and, in the case of technical employees and civil servants, patent rights. The broad lines of both social and economic policy are laid down by joint discussion in the AFA Executive.

The Organisational Structure of the AFA Federation.

Like the A. D. G. B., the AFA Federation is a federation of individual unions. In the national centre, the individual unions discuss together the larger questions of social and economic policy. Through the national centre influence is exerted on the legal bodies (the government and the parliament). Its sphere of work will be best seen from Para. 1 of its Rules, which reads as follows :

1. Objects of the AFA Federation.

§ 1.

The AFA Federation aims at the joint representation of the interests of German salaried employees by means of continuous cooperation between the "free" salaried employees' trade unions of Germany. It pursues this aim in continuous cooperation with the "Allgemeiner Deutscher Gewerkschaftsbund" and the "Allgemeiner Deutscher Beamtenbund". Its aims are to be attained by means of the

(a) development and safeguarding of protective legislation and of workers' control, extending from a single enterprise to the whole of the economic life of the nation ; and the management of election campaigns for the representation of Labour on social and economic bodies ;

(b) promotion of all economic activities conducted in the public interest ;

(c) promotion of trade union recruiting work, the collection and utilisation of social and economic information, the keeping of general trade union statistics, the issue of magazines and works of education and propaganda ;

(d) encouragement and concentration of works' councils, and the training of their members ;

(e) demarcation of the boundary lines and recruiting zones of the affiliated unions, and the settlement of demarcation disputes ;

(f) mutual support, morally and materially, of the affiliated unions when waging labour conflicts ;

(g) promotion of solidarity between head and hand-workers ;

(h) promotion of cooperation between the trade sections of the AFA unions amongst each other, and with the "free" trade union manual workers' and civil servants' unions ;

(1) encouragement of international relations with the trade unions of other lands. The A.D.G.B. and the AFA Federation form together the national centre affiliated with the I.F.T.U., (seat Amsterdam).

Religious activities and those for party ends are inadmissible. The AFA Federation may cooperate with other organisations when occasion arises, for the purpose of attaining common aims, but only provided that these aims are identical with its own.

The work done by the AFA Federation is the sum total of the organised cooperation of its unions. The executive has avoided figuring as an authoritative body with powers over the affiliated unions: it has preferred to set up various committees, which consist of members who are the competent experts of the various unions for the subjects of reference. The findings of these committees are really, therefore, those of the affiliated unions themselves, and they furnish the Federation Executive with authoritative information on the subjects at issue. This was the only possible way of organising really successful cooperation between unions differing so widely from one another, and all so pronouncedly autonomous. At present there are committees dealing with *social and economic questions, mining, the works' councils system, wages policy, education, and non-manual workers in the service of public authorities* who come under different labour legislation from the civil servants.

Special attention has been given to non-manual workers' councils and to non-manual members of works' councils. The principles adopted by the Federation Executive make it the duty of the Centre to deliver the Federation magazine regularly to such functionaries, and to furnish them with special information. The trade councils must organise locally the councillors of the non-manual and manual works' councils, and must provide for them special training courses and meetings.

Members of works' councils who sit on Boards of Directors receive special attention from the AFA. They send in reports of their work to the Centre, and before each general

meeting, they receive from it a full report of the position of the enterprise in question. The AFA Federation has at its command ample information concerning almost all the German jointstock companies, which can be used to instruct and guide its officials. The information sent in by these comrades is despatched to the economic department of the AFA.

Special centralised arrangements have also had to be made for the non-manual workers engaged in the mining industry. For the territory covered by a district miners' welfare society the leading non-manual workers are organised by the competent district executive bodies of the AFA unions concerned. A Labour Committee has to be formed to aid the district executive bodies, which consists of 3 persons at most. The committee members in question must, if possible, be selected from the place where the district executive has its secretariat. Nationally, the leading members of the AFA are organised in an AFA Mining Committee. Communications between the districts and the national centre takes place through the AFA Federation, which in conjunction with the AFA Mining Committee, pays the expenses incurred by the publication of bulletins, which are issued from time to time, as occasion arises.

Local and District Trade Councils.

Not until the beginning of 1924 could an attempt be made to reconstruct the AFA local and district organisations. In the trade councils, the local groups of the individual unions are organised on the same principle as for the national federation. The local and district cartels (salaried employees' trade councils) must support the principles and duties of the AFA Federation, as laid down in the rules of the Centre. From the Executive of the Federation they receive suggestions as to their work, and they are instructed to send in periodic communications to the Centre concerning their activities. Local and district cartels discharge their functions in the closest contact with the local trade councils of the Allgemeiner Deutscher Gewerkschaftsbund and the Allgemeiner Deutscher Beamten-

bund. In agreement with the competent union executives, the trade councils have to do or assist in doing recruiting work in their respective trades or districts, when the local organisation is too weak to undertake this itself.

The local salaried employees' trade councils of a province or state are grouped into district trade councils, according as necessity arises. At the second AFA congress, which was held at Munich, reorganisation within the local and district trade councils was declared to have been completed, the latter having been firmly established, and found competent to perform the tasks allotted to them.

Executive Committee, General Council and Congress.

The Executive of the AFA Federation consists of 9 members, three being presidents and six ordinary members. It is elected by the congress, and the secretaries appointed are elected by the General Council. This General Council which, together with the Executive, manages the Federation, consists of all the members of the Executive Committee, (who however have no votes) and the delegates of the unions, the number of whom is determined by the application of a specific system.

The supreme authority is the AFA trade union congress, convened once every three years by the Executive. It discusses and takes final decisions concerning all the chief questions affecting the AFA Federation, proposes or amends the Rules, elects the executives, and performs all the other tasks allotted to it in the Rules.

Duties of the Non-manual Workers' Unions in the Sphere of Social Policy and Wages.

The special functions and position of non-manual workers in the processes of production cause them to have many special needs in the domain of social policy and wages. The "free" unions of this category of workers have special aims in respect of *working hours* which go beyond the demand for

the eight hours day. At the international conference held at Montreux in September, 1926, the proposal of the German AFA Federation was adopted, which formulated the following demands for salaried employees. It runs as follows :

Working Hours.

The maximum working hours per day must not exceed 8. A half-day holiday must be guaranteed on Saturday. Unless Sunday work is absolutely necessary on the ground of the public interest, this must be counted in the weekly working hours. The first object of the workers in commercial establishment must be to secure the closing of shops at seven o'clock ; the authorities may order six o'clock closing for individual sections or commerce of for the whole. They shall however be bound to make this order if collective agreements contain clauses to that effect, or if the majority of the salaried employees and their employers pronounce in favour of it.

Weekly Rest Day.

Complete Sunday rest is to be guaranteed in all commercial establishments.

A rest of at least 40 consecutive hours must be guaranteed within a period of seven days.

At the present time, therefore, the "free" trade unions of salaried employees are fighting for a 46-hour week. Another of the resolutions passed at Montreux calls for *shop-closing* at 7 p. m., or, as an object for the more distant future, at 6 p. m. Success has attended the efforts of the German salaried employees to attain *Sunday-closing*. All efforts of the employers to violate it have failed, and will continue to fail in the future.

Besides the fight for working hours, the non-manual workers have had terrible problems to face in consequence of the mass unemployment resulting from deflation and rationalisation. From the beginning of 1924, the army of unemployed steadily grew in numbers. Hundreds of thousands of industrial and commercial employees, including bank clerks

and insurance employees, were unemployed. Dismissals have been especially numerous among the older workers.

The AFA Federation therefore demanded that, in addition to the general system of unemployment welfare, there should be *special measures to help the non-manual employees*, these measures to include the compulsory notification of vacancies to public Labour Exchanges, compulsory application to them, and the compulsory employment of older employees : (enterprises, whether public or private, being compelled, if they employed more than 4 non-manual workers, to take on one over 40) : also regulations making it difficult to discharge older employees. Under the pressure of the AFA unions, the government was at last compelled to pass a Dismissals Act, which passed the Reichstag in July, 1926 ; it provides greater protection to non-manual workers in matters of dismissal.

An employer who usually employs more than 2 non-manual workers may not henceforth discharge non-manual workers who have been in his employ or that of his legal predecessor over five years, except after a 3 months' notice and at the end of the next calendar quarter of the year. The period of legal notice is increased according to length of service, being 4 months after 8 years' service, 5 months after 10 years' service, and 6 months after 12 years' service. Years of service before the completion of the 25th year of the employee are however not counted in.

This does not exhaust the demands of the AFA Federation. Another resolution, also adopted by the Reichstag, calls upon the government to introduce expeditiously a bill which shall in some degree meet the demands of the Federation. This resolution calls for special protection for older non-manual workers, and more pressure upon employers to use the public Labour Exchanges. The AFA Federation also demands the inclusion of the more highly-paid salaried employees in the system of *unemployment insurance*, and has been successful in getting this reform through. From the 1st January, 1926, all salaried employees whose salaries are

under M. 6000 per annum come under the general unemployment system, the previous income limit having been M. 2700.

Lastly, we may mention here a memorandum endorsed by the Federation under the title of "Report on Unemployment due to the Work of Civil Servants and Officials in Receipt of Pensions or of Salaries Paid Temporarily after Dismissal." A strong demand was put forward in the memorandum that such employees should only be found work through the agency of the Public Labour Exchanges.

In the domain of social insurance, the foremost place has been given to the fight for the improvement of *insurance for non-manual workers*. Despite the AFA principle that German social insurance should be standardised, which means the assimilation of the non-manual workers' invalidity and old age insurance system to that of the manual workers, the Federation has continued its efforts to improve the system of non-manual workers' insurance itself. It was indeed due to the initiative of the AFA Federation that many improvements were made in 1925, while at the present time the Federation is fighting for the self-government of non-manual workers' insurance institutions. In the sphere of labour law also, many fights have been necessary. The chief point at issue was the Industrial Court bill, which has now become law, having been in force since the 1st July, 1927. Now that this Act is in force, all disputes arising out of labour legislation, whether they affect manual or non-manual workers, will come before Industrial Courts, and not ordinary courts.

In pre-war times, there were no *collective agreements* concerning wages and working hours between non-manual workers and their employers. The very idea of such a thing was drastically rejected by the chief non-manual workers' unions who were in favour of industrial peace. Only the "free" trade unions demanded them in those times. Things were very different after the War, when the above-mentioned Collective Agreement Decree of 23rd December, 1918, had been issued. During the years 1919—1923, there was no great difficulty in securing the conclusion of feasible agreements between the non-manual workers and their employers, this

being done sometimes with, and sometimes without the help of the state arbitration and conciliation institutions. In 1923, however, the employers began to fight these agreements. A considerable number of individual employers and employers' associations suddenly declared that they were no longer competent to conclude agreements. They even went so far as to amend the rules of their associations so that they might attain the "incompetency" which they desired. Strangely enough, these very same employers' organisations were quite willing to go on concluding collective agreements with their manual workers! The fight against this self-constituted incompetency is still going on. The arbitration authorities and the ordinary courts have given awards and judgments on the question, not always in the same sense. There is a large volume of court judgments dealing with this question: it will not really be decided until the last non-manual worker is enrolled in his trade union, and is waging a united fight for the collective agreement.

A second attempt to undermine the non-manual workers' collective agreements takes the form of a demand by the employers for an agreement based on *efficiency*. They sought to abolish the collective agreement system hitherto adopted, as being a bad thing: it should be replaced by the principle of "efficiency". The employers declared that their experience of the agreements, now dating back several years, had taught them that it is quite impossible to measure the value of individual work on the rigid principles of collective agreements: it would be much better to revert to the earlier individual agreements. Under the pressure of the unfavourable economic situation, certain "free" non-manual workers' unions catering for employees in a few big industries have indeed had to conclude such agreements. In 1926 the AFA Federation instituted enquiries in the district of the Berlin metal industry, in which these agreements were in force. The agreement covers some 60,000 non-manual workers (foremen, commercial employees and technicians). The principle of "efficiency" is put in practice by means of a system which applies to foremen of all ranks, and to technicians and commercial em-

ployees of the two highest categories : instead of the salaries being graded according to years of service, there is only one basic minimum salary, which is reached only if a minimum of three years of service can be proved : any increase on this is, according to the provisions of the agreement, left to free arrangement between the employer and the worker. In the two lower categories of commercial employees and technicians, it has been possible to retain the grading, but in Group 2 the increase of salary in the fourth and fifth year has been dropped. But in order to be able to judge of the whole working of the so-called "efficiency" system, there must of course be a thorough examination of the increases given on the basis of efficiency. The enquiries instituted show the following average increments in the various groups : by far the greater number of such increases in all groups were from 2 to 8 marks, increments as high as 40 to 80 marks being extremely rare. These figures show very clearly that even those employees who do attain the maximum average "efficiency increment" of from 33 to 45 marks will only have a salary which is equal to the maximum salary which they would have obtained if the graduated scale of salaries, based on regular increments, had been retained : and in all probability their salaries will be *below that level*. The enquiry proves therefore that the level of salary for salaried employees in the Berlin metal industry has fallen since the introduction of the new principle, and would have fallen even if the percentage of employees eligible for the "efficiency increments" had been considerably greater than it was. But, in judging the whole, we must not overlook the fact that of the 12,000 technical employees, 9280 have no chance whatever of the increment. In view of this, the most important result of the enquiry, we are forced to come to the conclusion that the practical effects of the "Efficiency Agreement" in the Berlin metal industry has meant an absolutely catastrophic fall of salaries. The salary fights which are going on at the present time are aiming not only at the prevention of the spread of the principle, but at the abolition of such agreements as have already been made.

All these questions, especially the principles held by the "free" trade unions in respect of the arbitration system, compulsory arbitration, and the abrogation of the right of bargaining which is inherent in the latter system will play an important part in discussions on the impending collective agreement bill. As in all questions concerned with the principles underlying social, economic and wage policy, the "free" national trade union centres of the manual and non-manual workers will take joint action.

Organisations of Other Orientations.

Foremost among the bourgeois organisations of non-manual workers of Germany comes the "Gesamtverband Deutscher Angestelltengewerkschaften" (National Union of German Salaried Employees' Trade Unions) usually abbreviated to Gedag. It is Christian (Roman Catholic) in orientation, and is under the leadership of the nationalist Shop Assistants' Union, founded in 1893. It seeks to organise German shop assistants on a nationalist basis, admitting only German Roman Catholics to membership. It not only recognises, but actively endorses the existing economic and social order. Hence even now it is reluctant to admit the use of the strike as a weapon of trade union conflict, before the War it had rejected it altogether. Its attitude is consciously middle-class. The Gedag further comprises the Union of Women Shop Assistants and Clerks, the German Technicians' Union, and the German Foremen's Union: the two last are unimportant, having only a few thousand members each. At present the total membership of the Gedag is some 300,000: it is affiliated with the Christian German Federation of Trade Unions.

The second group of bourgeois salaried employees' unions is that of the "Gewerkschaftsbund der Angestellten" (Federation of Salaried Employees) abbreviated to G. d. A. This is a Hirsch-Duncker federation and is accordingly affiliated with the "Gewerkschaftsring Deutscher Arbeiter-, Angestellten- und Beamtenverbände" (German Ring of Workers, Sa-

laried Employees and Civil Servants Unions). It has been formed by the amalgamation of the Union of German Commercial Employees with the Union of Clerks of 1858 and a few other unions. Before the War it was characteristic of most of these unions, like the national Shop Assistants' Union, to admit employers as well as workers to their ranks, and to concentrate their activities on finding work for unemployed members and managing benefit systems. They too rejected the strike. They sought to maintain the middle classes, (to which the salaried employees felt themselves to belong) to draw a sharp distinction between manual and non-manual workers, and to establish special confidential relations between employers and salaried employees. In the post-war period these distinguishing features have been obliterated, and there are at times strong leanings towards the "free" trade unions. But the G. d. A. still endorses the capitalist economic order, so that its programme shows signs of the clash between the opposing ideas of the employees' interests on the one hand, and the principle of the maintenance of the existing economic order, on the other.

The membership of the G. d. A. may be estimated at from 150,000 to 180,000. Unlike the AFA Federation and the Gedag the G. d. A. is not, strictly speaking, a federation: that is to say, its constituent trade groups are no longer independent organisations, but have become merely trade sections of the Federation.

The third group comprises unions of salaried employees doing managerial work. These are the following: the Union of German Engineers, and the "Vereinigung der leitenden Angestellten" (Association of Managing Salaried Employees), known from the initials of its German name as the "Vela". These unions represent the old attitude of the nationalist Shop Assistants' Union in all its original unadulterated strength. These employees refuse to join any organisation representing other non-manual workers: they stand entirely aloof, feeling themselves to be in especially close relations with the employers. The course of economic events shows, however, that they too are becoming more and

more liable to suffer from the caprice of employers. The number of managers etc. discharged has been by no means small. It is their own fault that these are now without the protection which workers organised in bona fide trade unions enjoy.

Numerically, these unions are insignificant: their membership is but little over 15,000.

Before closing this section, mention must again be made of the working alliances already referred to, which were the successors of the "yellows" of pre-war times. It should not be forgotten that the employees who had for so many years been under the influence of bourgeois unions find themselves more attracted than others by the idea of combined action with the employers: the utmost care on the part of the "free" salaried employees' unions is therefore needed to guard against this danger.

Hand and Head Workers Lined Up Together.

The historical development of the "free" salaried employees' movement in Germany and the work hitherto done is good ground for belief that German salaried employees are undergoing a process of economic and social transformation of great extent and importance. For the whole of the working class, it is of the utmost importance that head-workers and hand-workers should line up together for freedom, justice and the dignity of the human race. It is necessary that manual and non-manual workers should endeavour to acquire economic power by the employment of all available means. Non-manual workers,—technicians, foremen and commercial employees—can do much towards this aim. It is for them, not only to do excellent work in managing labour enterprises created by labour (cooperative societies, building guilds, and labour banks, such as the Manual and Non-manual Workers' and Civil Servants' Bank Ltd. at Berlin), they must also belong to us in private enterprise and private trading, etc., and prepare for these tasks. Those non-manual workers who are already with us must strive to win over the others for the high ideals of the "free" Trade Union Movement. In this work the manual workers must also give assistance.

Appendix.

Organisation Agreement between the A. D. G. B. and the AFA Federation.

(Concluded between the two parties concerned on lines laid down at the 12th session of the A. D. G. B. General Council, held on March 12th, 1921.)

Being firmly convinced that the social advancement of the working class and their success in the fight for economic emancipation must be founded upon the close and unbroken cooperation of all the head and hand-workers, the "Allgemeiner Deutscher Gewerkschaftsbund" (A. D. G. B.) and the "Allgemeiner freier Angestelltenbund" (AFA Federation) herewith conclude the following agreement :

§ 1.

The A. D. G. B. and the AFA Federation, as organisational and independent national federations, undertake reciprocal cooperation, as laid down in the rules of both parties, this cooperation to extend to all trade union, social and economic matters which affect the interests both of the manual and non-manual workers.

In questions which directly affect only the interests of one of the two groups, but may influence those of the other group, each group shall take the other into consideration.

§ 2.

In principle, the A. D. G. B. shall be recognised as the national trade union organisation of the manual workers, and the AFA Federation as that of the non-manual workers. Accordingly, the manual workers shall be organised in the unions affiliated with the A. D. G. B. and the non-manual workers in the unions affiliated with the AFA Federation.

Necessary deviations from this principle shall be arranged jointly between the two Executives, and with the affiliated unions concerned, due regard being paid in doing so to special historical or organisational characteristics.

Disputes which cannot be settled by reaching a mutual understanding shall be decided, as occasion arises, by means of joint arbitration courts. These arbitration courts shall consist of two representatives each elected by the trade unions concerned, one representative each of the two national executives, and a chairman, to be elected by the court itself. None of the members of the court of arbitration may belong to any one of the trade unions concerned in the dispute.

§ 3.

For purposes of cooperation between the A. D. G. B. and the AFA Federation :

1. The respective Executive Committee Meetings, General Council Meetings, and congresses of each body shall be attended by delegations, consisting of two or three representatives, from the other body, but such delegates shall have only consultative votes.
2. Joint meetings shall be held when need arises between the two Executives.
3. In important questions affecting the interests of both centres the General Councils of the two Federations shall be convened for a joint conference. The rules governing the voting of the joint General Council meetings shall be §§ 20, 21, and 23 of the A. D. G. B., Rules, with the additional proviso that the respective representatives of the two bodies shall vote separately, the votes being added together afterwards.
4. On specific occasions the two congresses shall be convened to meet simultaneously : in such circumstances §§ 32 and 33 of the A. D. G. B. Rules shall be applied.

§ 4.

In accordance with § 3, dealing with national cooperation, provision shall be made for the maintenance of permanent

local and district relations by means of reciprocal delegations to the respective trade councils executive meetings of the two bodies. The numbers of the delegations shall be determined locally. The local trade councils of the A. D. G. B. and the AFA Federation, and the corresponding A. D. G. B. and AFA organisations of the districts and individual German states shall hold joint executive meetings, either at specified intervals, or from time to time, as occasion arises.

§ 5.

The "Gewerkschaftliche Nachrichtendienst" (Trade Union News Service) of the A. D. G. B. shall be extended to cover the members of the AFA Federation, and it shall place one of its columns at the disposal of the latter every week, a due proportion of the costs of publication and distribution of the magazine being borne by the AFA Federation.

§ 6.

In agreement with the A. D. G. B., the AFA Federation shall affiliate with the International Federation of Trade Unions (seat Amsterdam), it being understood that such affiliation is not deemed to be equivalent to the establishment of a second national trade union centre for Germany. The AFA Federation shall elect at least one member of the delegation of the A. D. G. B. to the International Trade Union Congresses. The AFA Federation shall receive as much consideration as possible, whenever meetings or conferences are arranged by the I. F. T. U.

Berlin, April 12, 1921.

The Executive Committee of the "Allgemeiner Deutscher
Gewerkschaftsbund (A. D. G. B.)

Th. Leipart.

The Executive Committee of the "Allgemeiner freier
Angestelltenbund (AFA)
Aufhäuser, Süß, Klingen.

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J. B O R O V I Č K A
TEN YEARS
OF CZECHOSLOVAK
POLITICS

1 9 2 9

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I.

THE FOUNDATION OF THE STATE

WHEN the Czechoslovak National Committee in Prague proclaimed on October 28th, 1918, the independence of the Czechoslovak State, it gave expression by this revolutionary act to the unanimous will of the Czechoslovak nation which had of late been frequently manifested in an absolutely clear and indisputable manner. The National Committee was the supreme organ of the home revolutionary movement and was recognized by the entire nation; it included representatives of all the political parties and was supported in political affairs by all the nation-conscious elements. The National Committee possessed the right to speak in the name of the Czechoslovak people. The declaration of Czechoslovak independence in Prague (the centre of the territory inhabited by the Czechoslovak nation) was the completion of the efforts which Czechoslovaks had been making in the countries of the Entente from the outbreak of the War. Prior to October 28th quite extraordinary successes in the field of world politics had been attained by the revolutionary organization of the Czechoslovaks working abroad, namely, the Czechoslovak National Council in Paris; on October 14th this body had constituted itself as the Provisional Czechoslovak Government and had been recognized as

such by the Entente. Consisting of the leaders of the Czechoslovak revolutionary movement abroad (Masaryk was Prime Minister and Minister of Finance, Beneš was Minister of Foreign Affairs and of the Interior, and Štefánik was Minister of War), this foreign Government was, of course, in a position similar to that of the Serbian and Belgian Governments at that period: it possessed no jurisdiction over its own territory. By proclaiming in Prague the independence of the Czechoslovak State, the National Committee had in mind precisely this object of seizing the real power on Czechoslovak State territory. Thus on October 28th the home and foreign revolutionary movements fused into one, for the leaders at home acted in accordance with the general desires of the émigré leaders, although they did not yet know exactly everything that had been achieved abroad.

The independent Czechoslovak State, then, entered into existence. A nation, a territory and a Government—everything existed that was necessary for the formation of the new State; here also were heroic deeds, such as have always lain at the foundations of the winning of national freedom.

There was no disputing the fact that the Czechoslovak nation considered its destiny to lie in the formation of an independent State. Yet the territory of the new State was inhabited also by people other than Czechoslovaks, and thus there immediately arose the question as to the extent

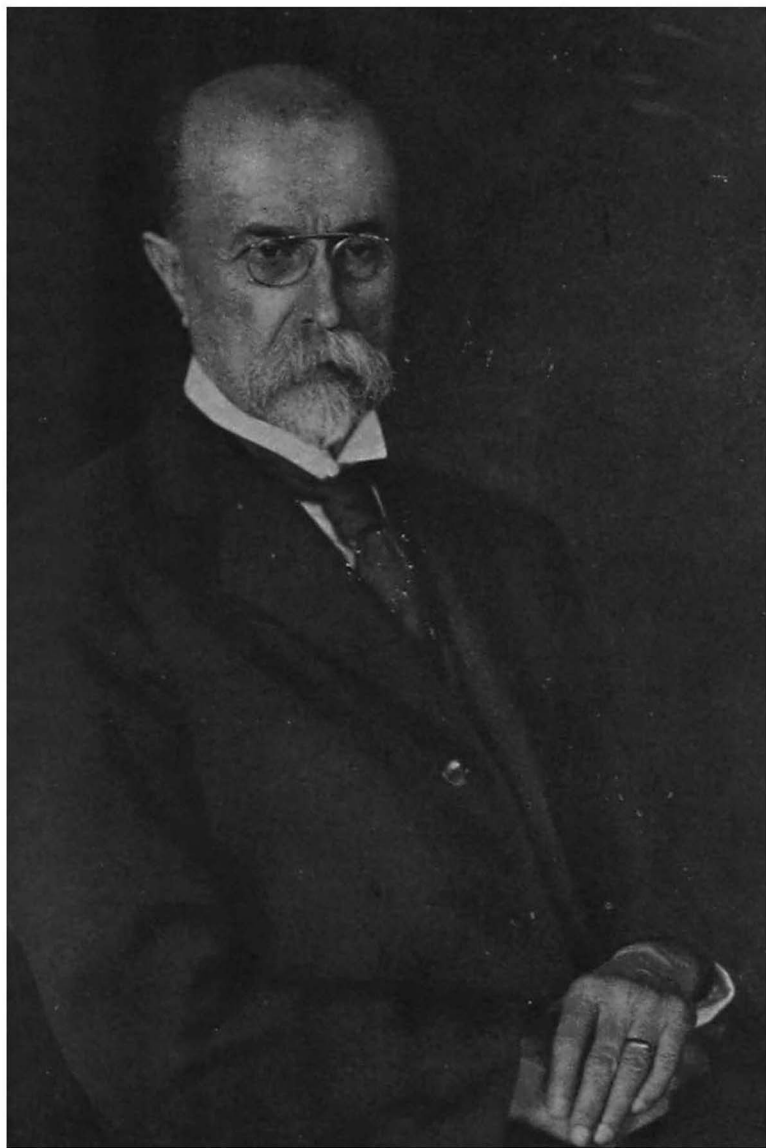
of territory which would recognize the Prague Government

In Prague there was no doubt that the new State would include all the lands of the former Crown of Bohemia (Bohemia, Moravia and Silesia), the regions which from the beginning of history had been inhabited by the Czech people; these regions in the early Middle Ages had been welded in peace and in war by the native dynasty into a powerful Central European State, and in spite of all disasters and Germanization had preserved their Czech character and remained the only homeland of the Czech people. This territory was a natural geographical formation, and a centuries-old development clearly delimited the frontiers of the lands to which the Czech nation had a historical right. According to the general view of the Czech people, it was a question only of a restoration of the old Czech State.

The question of the frontiers of the other part of the Empire, where for centuries past the Slovak branch of the nation had been living a separate existence, was not so clear. History had not created Slovakia as an independent State form or even as an administrative area which might be deemed needful for a new State on a historical basis, and the ethnographical boundaries were not sufficiently clearly delimited to form satisfactory frontiers. In this respect Slovakia resembles the rest of Central Europe where various ethnical units are in-

termingled and do not form sharply defined separate wholes.

But resistance arose against the Prague Government not only in Hungary in view of the claims of the new State to the Slovak territories, but also amongst the Germans settled in the Czech historic lands. The German politicians in the Czech lands did not accept the national revolution of October 28th as a permanent fact, and interpreting Wilson's stipulations in their own favour, they claimed the right of self-determination for the districts inhabited by the Germans and demanded their union with Austria; the German and Germanized districts of the Czech lands were to be autonomous provinces of the new Austrian Republic. Thus during the first days of the national revolution Deutschböhmen and Sudetenland were formed into independent administrative entities, and a little later two smaller districts were joined to them, making in all four administrative units. Together these provinces formed about one third of the historic lands, but territorially they were not connected and for the most part they were not linked even with the State of which they claimed to be a part. This was, of course, the great drawback of the entire German attempt, against which operated not only the development of several centuries but also the numerous economic relations between the Czech and German parts that formed together a self-sufficing whole. In general, the



*T. G. Masaryk,
President of the Republic.*

German resistance was only a continuation of the German policy in Austria which during the War had brought about an administrative disintegration of Bohemia. Hence the Prague Government did not recognize the existence of these Austrian provinces. It acted thus, in full consciousness of the historical right of the Czechoslovak nation to all the Czech lands in their entirety, but it based its action also on the international recognition of the Czechoslovak State and on the promise of France to obtain for the new State its historical frontiers on the occasion of the final adjustment of Central Europe.

No great efforts, however, were required in order to make valid the Czechoslovak juridical view. The Austrian Republic, which had declared its sovereign rights to these provinces, could not provide them with assistance, and thus the Prague Government was able gradually and circumspectly to carry out the occupation of the German districts even with the insignificant military forces which were at its disposal; in the mixed territory the local Czech revolutionary committees which were formed *ad hoc*, generally sufficed of themselves to ensure the recognition of the authority of Prague. The leaders who had formed a Counter-Government were obliged to flee the country, and no popular movement of resistance arose either then or afterwards. The occupation of the German districts bore the character of an administrative

measure rather than of a subjugation of an insurgent territory, and the supreme authority of Prague within the old frontiers was henceforth fully recognized. The conflicts which afterwards arose here and there with the State power were not greater than those occurring elsewhere in that disturbed period. After the middle of December, when the occupation was completed, the question of the German enclaves in the Czech State was settled and caused no further difficulties to the Government; the idea of an independent Deutschböhmen was seen to be entirely illusiory. The international juridicial settlement, which Austria attempted to secure in its own favour, was effected at the Peace Conference when the new frontiers of Central Europe were delimited.

The authority of the new Government was denied in another corner of Czechoslovakia—in the Těšín (Teschen) district which for 600 years had formed part of the Czech lands—the resistance on this occasion coming from the Poles who, like the Czechoslovaks, were an Allied nation. Even before the War there had been a conflict between the Czechs and the Poles as to the nationality of the population in this frontier district, but of course the dispute had been of a peaceful character. Prior to the end of the War the responsible politicians on both sides, both at home and abroad, had endeavoured to settle the dispute by peaceful methods in order that the two States might enter

post-War conditions as good neighbours. These endeavours, however, had met with failure. After the disintegration of Austria-Hungary the Poles, who relied upon their military preparedness, occupied in the first days of November almost the whole of the Těšín district, and thus a great part of the coal output of Czechoslovakia fell into the hands of Poland. The Prague Government could not recognize, of course, a *fait accompli* of this nature, and towards the end of January, 1919, recovered by military intervention parts of the disputed territory. The Peace Conference put an end to the war between the two Allied countries, laid down a line of demarcation, and reserved to itself the final decision; a part of the Těšín district was left in the hands of the Poles, and the disputed territory was placed under international control. Although this was only a provisional settlement, the historical right of the Czechoslovak State to the Těšín district had thereby been authoritatively denied; if other reasons are brought forward, it will be possible, therefore, to change at a conference the frontiers fixed by a development lasting for several centuries.

If the recognition of the Prague revolutionary Government caused certain difficulties in the historical lands, the authority of Prague over Slovakia met with still greater difficulties; during the first days of the national revolution Prague was obliged on account of Slovakia to conduct a

struggle which six months later developed into a war.

It was not by chance that the proclamation of October 28th contained the signature of one of the leaders of the Slovak people (Šrobár). Two days later the political leaders in Slovakia manifested quite clearly their will to form a common Czechoslovak State (Declaration of Turč. Sv. Martin, dated October 30th), but they had no strong basis of organization amongst the Slovak people, whose assistance would have rendered peaceful the transference of power from Hungary to the new Czechoslovak State. The ruling classes in Hungary did not reconcile themselves to the idea that the losing of the War meant the end of the overlordship of the Magyars over the other nations inhabiting Hungary, and were sufficiently strong to attempt to maintain the integrity of the Kingdom of St. Stephen even after the War. The conditions of the Armistice and its Magyar supplement (the Belgrade Convention) aroused hopes of success. Thus the endeavours of Prague to establish in Slovakia the new Czechoslovak régime met with the determined opposition of the Budapest Government which possessed considerable armed forces for the defence of its standpoint. The part of Slovakia which during the first days after the national revolution had been taken over by the Czechoslovak authorities was again lost, for Prague was absolutely unable to cope with the

Magyar military forces. Its only weapon, so to speak, was the recognition of the Czechoslovak State by the Entente. In this difficult period, when Slovakia fell a victim to confusion and to the restoration of Magyar rule, the power of international obligations manifested itself, and owing to his diplomatic skill the Czechoslovak Foreign Minister succeeded in persuading the Supreme Allied Command to lay down a line of demarcation between Hungary and Czechoslovakia; in the main this line constituted the frontier which was finally accepted by the Peace Conference. The Budapest Government yielded to the pressure of the Entente (towards the end of December, 1918) and evacuated Slovakia; the Slovak districts were gradually taken over by the Czechoslovak authorities, in proportion as the Legionaries returned from Italy and strengthened the Czechoslovak régime. On January 1st, 1919, there took place the occupation of Bratislava (Pressburg) which on February 4th became the seat of the Government authorities who had been sent from Prague for the administration of Slovakia.

The German question in the Czech lands had been definitely settled by the occupation of the territory, but the case was different in Slovakia. Here the Magyars did not reconcile themselves to the new state of affairs and did not await peacefully the final decision of the Peace Conference, but endeavoured in every way to make difficulties

for Czechoslovak rule in Slovakia. The Hungarian Government strove to keep alive the idea of the integrity of Hungary and in this had many helpers; nearly all the members of the *intelligentsia* and the ruling and wealthy classes together with the bureaucracy were Magyars, who supported very intensively the endeavours of the irredentists, and fostered discontent among the masses of the population. Hence quiet development did not ensue in Slovakia, and heavy sacrifices were necessary before the blessings of peace could be felt in these regions.

The authority of Prague, then, was asserted gradually and with certain difficulties on the territory which was to form the Czechoslovak State. The leaders of the national revolution of October 28th were not lacking in courage when, surrounded by enemy bayonets, they proclaimed Czechoslovak independence, but in the first period they did not possess sufficient power to enforce obedience to their orders. The Czechoslovak State was not organized at home on a military basis, and yet it was in desperate need of armed forces in order to enforce its will and protect and maintain its newly gained freedom. At the time of its birth the war on the Western front was still being waged with full fury, and in the weeks which followed the collapse on the war front public order was shaken to its foundations; the confusion which accompanies the revolutionary origin of new

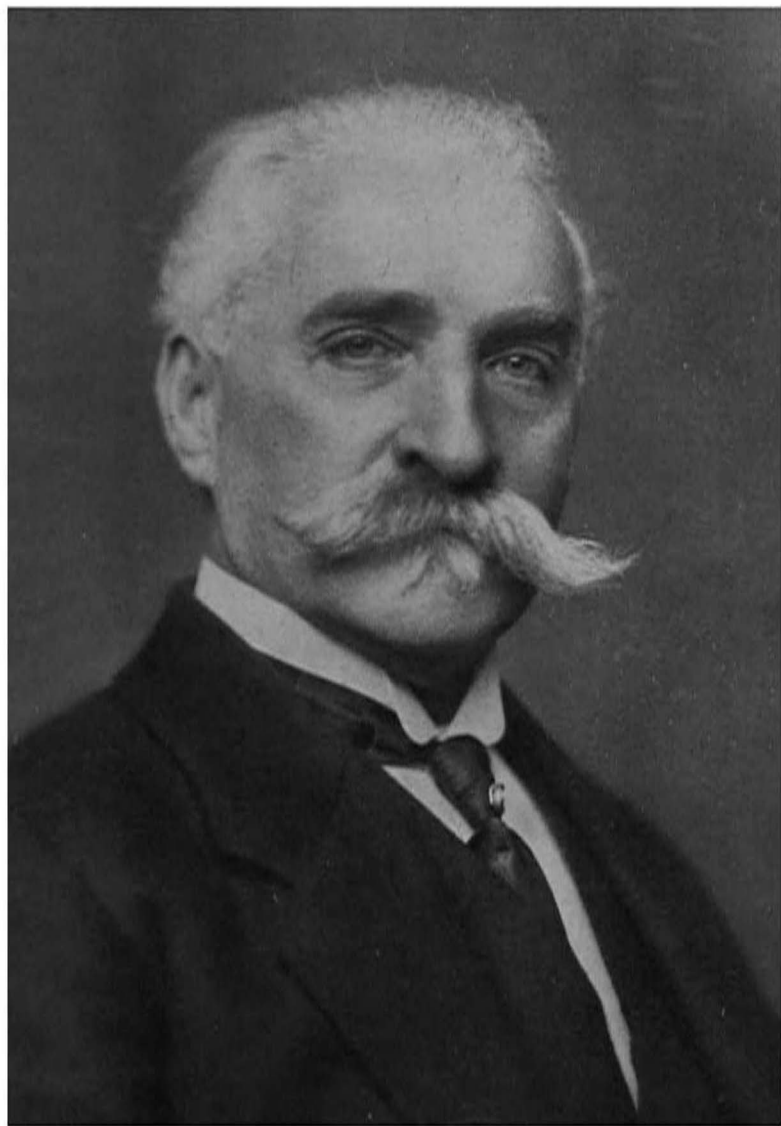
States threatened to overwhelm all the peoples of the former Austro-Hungarian Empire. What power could protect the weakly organism of a young State in a period of storm?

Thanks to the Czechoslovak revolutionary leaders abroad, the Czechoslovak State possessed at the time of its birth three remarkable armies composed of men who had voluntarily taken up arms in order to win State independence, and these national armies had performed on the battlefield heroic deeds which had made the Czech name famous through the world. But at this period these national forces were stationed in France, Italy and in the neighbourhood of the Urals. They moved side by side with the Allied troops on the French battlefields in the victorious march to the German frontiers; on the Italian front they witnessed the disorderly flight of the Austrian and Hungarian troops, and on the boundary between Europe and Asia they withstood the onset of the Red army. To the Government which had just been formed in Prague they could give, of course, only moral support; in the first difficulties actual assistance was provided only by the Legionaries from France and Italy when they began to return to their native country at the end of 1918.

Up to that time the first Czechoslovak Government had been obliged to rely on the Czechoslovak citizen guards who were organized in local national committees in order to take over the State

power, on military volunteer organizations, and on the Sokols. It could depend upon its officials who had been trained at home and in the government offices in Vienna and who carried on the State administration without interruption. Matters were most serious with the army. In hundreds of thousands the soldiers of the former Monarchy were returning in disorder to their homes, demoralized by suffering and defeats. The soldiers of the former Austrian army who were at the disposal of the Czechoslovak Government at home were not at first of any great fighting value. Amongst the Austrian officers there were only a few nation-conscious Czechs who offered their services to the new State in the first hour. To these fell the difficult task of organizing a Czechoslovak army from the very beginnings, so to speak, and on new foundations.

Hence the greater were the hopes that were placed in the Peace Conference at Paris which had to give the final decision in all the disputed questions, guarantee peace, and provide Europe with a new régime. The preparations, however, for this world assembly of diplomats were prolonged, and it was not until the second half of January, 1919, that the Conference was opened. The chief Czechoslovak delegates were the first Prime Minister, Dr. Kramář, and the first Foreign Minister, Dr. Beneš, to whom the young State owed a number of important diplomatic successes and to



*František Tomášek,
President (Speaker) of the National Assembly and of the
first elected Chamber of Deputies.*

whose experienced hands the Government entrusted with confidence the defence of the State interests; he had at his disposition experts in all branches.

According to the order of the day, Czechoslovakia belonged to the so-called group of States with special interests. The deciding voice at the Conference pertained, however, to the States with general interests, the Great Powers; everything depended, therefore, on the smaller States convincing the representatives of the Great Powers as to the justice of their claims.

Like the other newly constituted States, Czechoslovakia was concerned above all with the question of the delimitation of frontiers. The Paris Conference did not accept the principle of historical rights as the only criterion for the fixing of the new frontiers; this principle was considered, indeed, but attention was paid also to economic, geographical, ethnographical and other factors. It was necessary with all these arguments to support the territorial claims of the Czechoslovak State before Commissions which examined the questions with a view to a definite decision, and before the supreme tribunal of the Conference.

The frontiers between Czechoslovakia and Germany did not cause any great difficulties. The Czechoslovak delegates demanded in the main the preservation of the old historical boundaries with some modifications; thus they proposed an ex-

change of the Cheb (Eger) district, that had been inhabited by Germans, for a rectification of the frontier in Kladsko (Glatz) which up to the middle of the 18th century belonged politically to the Bohemian Crown, and linguistically had preserved Czechoslovak elements. At first the Conference did not oppose these changes which were based upon ethnographical factors, but in the end it insisted on the retention of the old historical frontier between the Czech lands and Germany. The only frontier rectification made was a small one in favour of Czechoslovakia in the proximity of Hlučín; thus the gain for Czechoslovakia from the Peace of Versailles represents a small territory (285 square kilometres) with a population of Silesian Moravians.

Similarly the old administrative boundaries were in the main retained as the frontiers between the new Czechoslovak and Austrian States. In favour of Czechoslovakia only two small rectifications of an economic character were made: on the basis of the Peace of Saint Germain Czechoslovakia obtained the railway junction of Cmunt and both banks of the river Dyj near Poštorná and Valčice; in both cases the deciding factors were also historical and ethnographical.

The delimitation of the frontiers of Slovakia was much more complicated. Towards the end of the year 1918 Dr. Beneš succeeded in persuading the Allies to fix a line of demarcation as a pro-

whose ~~border~~ frontier for Slovakia (the Danube as far as the confluence of the river Ipola, the Ipola as far as Rimavská Sobota, thence to the confluence of the river Už and along the Už upstream as far as the old Hungarian-Galician boundary). At the Conference the Czechoslovak delegates put forward rather bigger territorial claims against old Hungary by demanding Slovakia as a geographical whole.

In addition to the frontiers of Slovakia, negotiations were conducted regarding the delimitation of the frontiers of Carpathian Ruthenia and the joining of this territory to Czechoslovakia. Its incorporation in the Czechoslovak State could not of course be justified either by historical or by ethnographical arguments. It was a country to which the Czechoslovak nation had never made any political claim, and it was inhabited by people who were indeed Slavonic but different from the Czechoslovak both linguistically and ethnographically. The idea of this union was not started by the Czechs but arose among the Ruthenian Americans, who desired to save the Carpathian Ruthenians of Hungary from the national extinction that awaited them under the ruthless régime of Magyarization, and who in their movement of emancipation sought assistance from the Czechoslovaks as a related Slavonic people whose State was to border on Carpathian Ruthenia. The aim of the movement was autonomy with the guaran-

change of the Cheb (Eger) district, that had long been inhabited by Germans, for a rectification of the frontier in Kladsko (Glatz) which up to the middle of the 18th century belonged politically to the Bohemian Crown, and linguistically had preserved Czechoslovak elements. At first the Conference did not oppose these changes which were based upon ethnographical factors, but in the end it insisted on the retention of the old historical frontier between the Czech lands and Germany. The only frontier rectification made was a small one in favour of Czechoslovakia in the proximity of Hlučín; thus the gain for Czechoslovakia from the Peace of Versailles represents a small territory (285 square kilometres) with a population of Silesian Moravians.

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tee of free national development; there was no thought of the establishment of an independent State. In America the idea of an autonomous Carpathian Ruthenia was connected with the activity of the Central European Democratic Union, in which Masaryk endeavoured to organize the Central European émigrés for the support of the struggle for freedom in the old home country. The Ruthenian leaders in America secured the help of President Wilson, and when in Hungary there was clearly manifested a movement on behalf of the autonomy of Carpathian Ruthenia within the Czechoslovak State, the Czechoslovak forces that already held Slovakia occupied Carpathian Ruthenia in the spring of 1919 with the exception of the eastern part which was in the possession of the Roumanians.

In the negotiations relating to the Hungarian frontier the line of demarcation fixed in December of the preceding year was, in the main, retained but before the final decision was reached, Czechoslovakia found itself at war with Hungary over the frontier question. During the Roumanian invasion of Hungary after the establishment of the Communist Government at Budapest, Czechoslovak troops occupied some places beyond the line of demarcation which was absolutely inadequate from the point of view of transport. The Red army used this incorrect action as an excuse for beginning a struggle (towards the end of May,

1919) for the recovery of Slovakia. Making a surprise attack on the Czech troops, the Reds not only drove them back over the line of demarcation but also seized nearly two-thirds of Slovakia and in June the advance guard of the Red army approached the capital, Bratislava. As at the end of the preceding year, the diplomatic intervention of the Allies was required in order to secure the retention of that which was nearly lost in the struggle. On June 8th, 1919, the Allies ordered the Hungarians to stop their attack, and shortly afterwards, having finally fixed the frontier between Hungary and Czechoslovakia, called upon the Budapest Government on June 13th to evacuate the Slovak territory; by the end of June the military conflict was already liquidated. The definitive frontier which was then proclaimed by the Peace Conference did not differ in the main from the line of demarcation laid down in the previous December, apart from the fact that attention was paid to the railway lines. The delimitation was thus included in the Peace Treaty of Trianon; in the actual delimitation the only considerable alteration was that made in the region of Šalgótarján in favour of Hungary by a decision of the Council of the League of Nations (1923).

In connection with Slovakia a decision was arrived at in Paris regarding the incorporation in Czechoslovakia of Carpathian Ruthenia as a self-governing territory. Its special position within the

framework of the Czechoslovak State was guaranteed by a treaty (10. IX. 1919) in which Czechoslovakia bound itself before the Great Powers to provide Carpathian Ruthenia with the widest measure of autonomy compatible with the unity of the Czechoslovak Republic.

At the Conference there still remained unsettled the question of the frontiers with Poland, for in the Těšín district there was only the provisional line of demarcation of February, 1919. The Peace Conference desired that the dispute should be settled by an agreement between the two Allied States, and indeed attempts were made to settle the matter by direct negotiations. This method, however, did not prove successful; each of the two States felt that the possession of the Těšín district and its coal wealth would affect its vital interests and consequently did not wish to yield; in addition, Czechoslovakia had put forward a juridical claim in view of the fact that the Těšín district had formed part of the territory of the Bohemian Crown. Finally the Conference ordered a plebiscite to be held in order to ascertain the desires of the Silesian population. But the preparations for the plebiscite only served to increase the discord and show up the disadvantages of this method of settlement. Therefore the two sides agreed that the Allies should act as arbitrators, and thus the decision was given on July 28th, 1920, whereby the eastern part of the Těšín district was assigned

to Poland, whilst Czechoslovakia retained the entire railway line (Bohumín-Jablunkov) connecting the historical lands with northern Slovakia, and a considerable portion of the coal fields. For Czechoslovakia this settlement was more advantageous than any of the previous proposals.

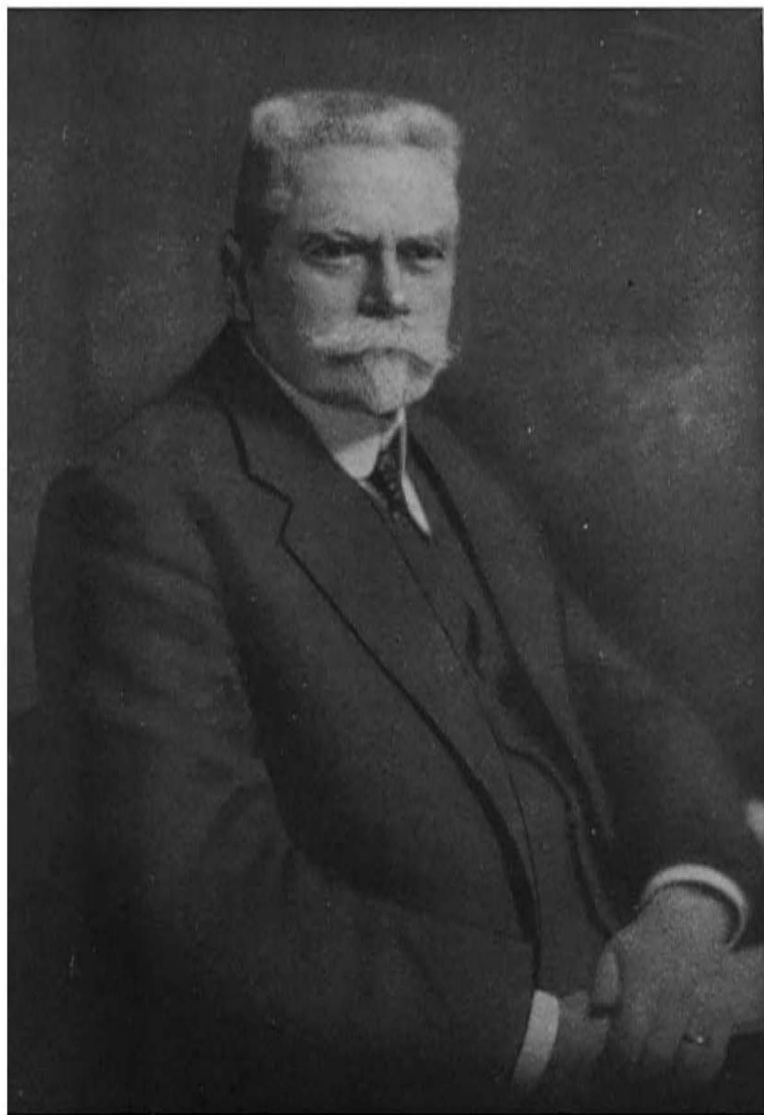
Together with the settlement of the frontier question in the Těšín district, the claims were granted which the Poles began on ethnographical grounds to bring forward at the Peace Conference in regard to Orava and Spiš in Slovak territory; here the frontiers were delimited in favour of Poland. The echoes of these frontier changes still remained, however, for a few years; it was a question of the details of the delimitation in the Javorina region, and the problem was finally settled in favour of Czechoslovakia in 1924.

The struggle over the frontiers of Czechoslovakia was settled in the main at the Peace Conference; they received international recognition in the Peace Treaties of Versailles, Saint Germain and Trianon. Czechoslovakia issued victorious from this struggle in spite of certain losses of territory in the historic lands in favour of Poland. For the first time in history, the entire Czechoslovak nation was united in an independent State with an area of 140,000 square kilometres and a population of 13,600,000. Before the War this had been the ideal of dreamers rather than of responsible politicians, who followed smaller and more concrete

aims. The World War, however, provided the opportunity for the realization of the integral national programme; moreover the incorporation of Carpathian Ruthenia, a new territory (12.694 square kilometres) which carried the State frontiers as far as the friendly country of Rumania, was more than any of the Czechoslovak politicians had expected. The independence of a Czechoslovak State of this extent was made possible only by the fall of the two central empires and by the able direction of a foreign policy which during the War and at the time of the Peace Conference combined the interests of the nation with the development of international political life.

It was not only with regard to territorial questions that the Paris Peace Conference was of fundamental importance for the new adjustment of conditions in Central Europe. The disintegration of the Habsburg Monarchy called forth a number of problems that had to be solved in the interests of further development immediately at the birth of the new States. The interests of the Republic were affected particularly by the questions of transport and finance.

Transport questions were very important for Czechoslovakia because their settlement at the Peace Conference helped in enabling the disadvantages of the inland position of the country to be surmounted at least to a certain extent. This was effected through the internationalization of the



*Dr. Karel Kramář,
the first Prime Minister of Czechoslovakia.*

Elbe and the Oder, the participation of Czechoslovakia in the international Commissions dealing with the administration and navigation of the Danube, the Elbe and the Oder, and the securing of free zones at Hamburg and Stettin and of other advantages arising from the new organization of transport facilities in accordance with the Peace Treaties. A practical result of the Peace Treaties in respect of transport is seen in the establishment of the Czechoslovak navigation companies on the international rivers, the Danube, the Elbe and the Oder.

Whilst the settlement of transport questions at the Peace Conference brought certain advantages to Czechoslovakia, the Conference burdened the new State with considerable obligations in financial matters arising from the disintegration of the Habsburg Monarchy.

The Conference itself did not arrive at a decision regarding the question of war reparations to which Czechoslovakia made a claim as a State which had fought on the side of the Allies; a decision was reached later (1921) by the Reparation Commission which assigned to Czechoslovakia reparations not from the day of the recognition of the Czechoslovak national revolution by the Allies, but only from October 28th, 1918.

If this rather modest claim to reparations may be regarded as a certain success for Czechoslovak policy, in the negotiations relating to the other

financial questions the Czechoslovak delegates were obliged to regard as a success the fact that they secured a reduction of the burdens which the Great Powers desired to impose upon Czechoslovakia and upon the remaining Allied States that had arisen from the ruins of the former Monarchy. In the matter of reparation duties all these new States were to be placed on a level with the former enemies, even although they had contributed by their military assistance to the common victory; like defeated Austria and Hungary, they had to take over a certain proportion of the pre-War debt of Austria-Hungary; they had to pay into the common reparations fund an amount corresponding to the value of the State property and of the property of the imperial dynasty situated in their respective territories; finally they were obliged, together with their former enemies, to take over the banknotes of the Austro-Hungarian Bank. This view of the payment of reparations by all the heirs of the Habsburg Monarchy was accepted mainly owing to the influence of Italy who could obtain reparations only from the former Austro-Hungarian Empire and therefore endeavoured to increase their value as much as possible; but America and England also considered it just that all the States should bear an equal share of the war burdens and felt that the new States which had arisen on the territory of Austria-Hungary had not borne the full weight of the war expenditure

and would be at an advantage in comparison with the Great Powers which had emancipated them through their sacrifices in men and property.

Czechoslovakia and the other States concerned naturally resisted these demands of the Great Powers, and by common efforts succeeded in securing a substantial reduction of the financial burden that threatened them. Czechoslovakia, Yugoslavia, Roumania and Poland bound themselves to take over a proportionate share of the pre-War debt of Austria-Hungary, but they had no obligation regarding the War debt; the value of the State properties and of the imperial property they are obliged to pay with a certain reduction into the reparations fund. The said Succession States were freed from the obligation to pay compensation for war damage, but on the other hand the obligation was imposed upon them of making a so-called liberation contribution, the amount of which was fixed at one and a half milliards of francs; the proportion of this sum to be paid by the individual States will be in accordance with their respective financial capacity, but Czechoslovakia is not to pay more than 750,000,000 francs.

All these financial obligations laid down in principle by the Peace Treaties still await, however, their actual settlement; they depend on the question of inter-Allied debts generally. The final settlement of this question has not yet been reached, but nevertheless the financial peace obligations, which

have been juridically and clearly laid down, have stood in the background of the question of the State debt since the beginning of the existence of the Republic. The new State did not gain its freedom without paying the price.

II.

FROM CHAOS TO THE NEW ORDER

WHEN the news reached Prague of the capitulation of Austria-Hungary (Andrassy's Note of October 27th to Woodrow Wilson), the four members of the Presidium began early on October 28th to take over, in the name of the Czechoslovak National Committee, the Austrian State offices, and in the evening the Plenum of the National Committee proclaimed the independence of the Czechoslovak State; the signatories of this first law were Antonín Švehla, Jiří Stríbrný, Dr. Alois Rašín, Dr. František Soukup, and Dr. Vávro Šrobár of Slovakia. The other towns in the historical lands followed the example of Prague, and when the National Committee had overcome the first resistance of the Austrian garrison in Prague, it was master of the situation in the Czech regions within a few days and possessed sufficient resources to take energetic steps to safeguard the Government throughout the whole territory which it claimed for the Czechoslovak State.

The National Committee possessed the entire legislative and executive power. It had arisen under the Austrian régime in the summer of 1918 as the revolutionary organ of the real will of the nation; the Czech political parties sent to it their representatives according to the number of Depu-

ties in the pre-War legislative bodies and eminent persons in the scientific and literary world were co-opted, so that the National Committee was truly an all-national corporation. Owing to the political persecution in Hungary, Slovakia could be represented only occasionally in connection with various demonstrations, but from the first day of the national revolution in October 1918, Dr. Šrobár who looked after Slovak affairs was in Prague as member of the Presidium of the National Committee.

The National Committee did not proclaim the Republic on the very first day, but left this to the future National Assembly with the consent of the National Council abroad; the idea was held that the latter body might have undertaken certain obligations in this matter with regard to the Great Powers. Meanwhile, however, the Czechoslovak delegation with the President of the National Committee returned from Geneva, where it had reached an agreement on all questions with the National Council; these negotiations had taken place just at the time when the national revolution was carried out in Prague. In the succeeding days the international situation became clearer: the Habsburg Monarchy broke up into its national component parts which formed themselves into independent States, and on November 3rd an armistice was formally declared on the southern Front. The German Empire was shaken

to its foundations and ceased to be feared as a military Power. On November 11th Germany signed the Armistice; the victory of the Entente was complete, and nothing remained but to organize the victory.

The fourteen days of the Government of the National Committee passed in a feverish endeavour to regulate the chaotic conditions so that a regular constitutional life could be started. Thus on November 14th the National Assembly held its first session which was as unanimous in character as the national revolution itself; by reason of its absolutely bloodless and peaceful nature the revolution in fact resembled a solemn manifestation rather than a political revolution.

In the opening session of the National Assembly the Habsburg Dynasty was deprived of all its rights to the Bohemian throne, a Republic was declared, and T. G. Masaryk, the leader of the Czechoslovak revolutionary movement abroad was elected President. The Head of the Czechoslovak Provisional Government at Paris was, at the time of his election as President of the Republic, still in Washington and returned to Prague via England, France and Italy towards the end of the year (21. XII. 1918).

The Revolutionary National Assembly was the direct successor of the National Committee; it was the National Committee enlarged in the same manner and in accordance with the same ratio of par-

ties as those forming the original National Committee, to 256 and later to 270 members. This legislative body naturally contained Slovak representatives delegated on the basis of an agreement among the Slovak leaders. The National Assembly was elected not by the direct votes of the population but by an indirect method, i. e., through the various executive committees of the political parties chosen by the direct votes of the organized members of these parties. The first National Assembly was of one nationality, the Germans holding no seats in it. After the failure of the negotiations with the German political leaders in the first days of the revolution, the Germans of the historic lands adopted an attitude of resistance and sought the fulfilment of their national destiny outside the framework of the Czechoslovak State by excluding themselves from the building up of the State and from its Constitution. The attempt of the German regions to secede was brought to an end after the signing of the Peace of Saint Germain by a political amnesty. Then, however, there was no disposition on their side for co-operation in legislative activity which was approaching the end of its term. Thus the constitutional foundations of the Czechoslovak State were laid by the Czechoslovak nation itself which had been the originator of the revolution. The Germans did not enter the political life of Czechoslovakia until after the first general elect-



*Dr. Vavro Šrobár,
the first Minister for Slovakia.*

ions to Parliament in the spring of 1920, but under the influence of the watchwords of the period of their resistance they long pursued a purely negative policy

At the initial meeting of the National Assembly the first Czechoslovak Government was elected on the basis of the Provisional Constitution. Just as the National Committee had concentrated all the Czech political parties, so also the first Government was a Coalition Government of all the Czech parties and of the Slovak leaders. Naturally the two remaining Ministers of the Paris National Council (Dr. Eduard Beneš, for Foreign Affairs, and General Milan Štefánik, for War) were transferred with their functions to the Prague Government. The Prime Minister was Dr. Karel Kramář, leader of the National Democrat party (of the urban manufacturing and educated classes), which had played a prominent part in the home revolutionary movement. Dr. Kramář owed his election not so much to the strength of his party as to the eminent rôle he had played in Czech pre-War politics and above all to the prestige he enjoyed, for in 1915 he had been sentenced to death by the Austrian military authorities; his glory as a national hero had placed him at the head of the revolutionary National Committee. His deputy in the Cabinet Council was Švehla, the leader of the Agrarian party which was the strongest political group

in the National Assembly. During the latter part of the War Švehla had been behind the scenes in the home policy against Austria; while Kramář was attending the Peace Conference, Švehla was the leader in Czechoslovak home affairs. As Minister of the Interior, he played a prominent part in the making of the constitutional laws, skilfully negotiating an agreement between the various Czechoslovak political parties. Since that time Švehla's authority in the political life of Czechoslovakia has grown considerably; he has developed from a clever party-leader to a far-sighted statesman. The other parties also sent to the Government their foremost politicians, mostly experienced Parliamentarians and men who had won their spurs in the home revolutionary movement. Of the 17 members of the Kramář Cabinet 6 belonged to the Socialist Bloc (formed in the National Assembly as a tactical formation of the two Czech Socialist parties) and 9 belonged to the Bourgeois parties (4 Agrarians, 3 National Democrats, 1 Clerical and 1 Slovak — at that time the Slovak Deputies were organized in a Slovak Parliamentary Club —) a ratio that corresponded roughly to the number of seats. The two Ministers from the National Council were non-party and did not take any share in the actual work of the Cabinet, for Beneš remained throughout the whole period in Paris where he bore the main burden of the presentation of the Czechoslovak case at the

Peace Conference, and Štefánik, who at the beginning was in Siberia with the Czechoslovak Legionaries, was killed under tragical circumstances before he could occupy his position in the Prague Government (he crashed in an aeroplane accident just as he was returning to his native country, on May 4th, 1919).

The first Government was faced with the difficult task of organizing a new régime in the midst of the chaotic conditions caused by the War. All the belligerent States had to deal with post-War difficulties, but in the new States the difficulties were doubly great: with one hand it was necessary to build and with other to protect the work that had been started. The territory which the National Committee had taken over under its sovereignty was part of the defeated Monarchy and suffered from all the defects of a defeated country; the material connection with Austria and Hungary was a sad reality, for in the needs of everyday life the adherence of the new State to the Entente was for the time being only a theoretical factor and did not make its influence felt until later. The Czechoslovak Government had to overcome the initial difficulties by its own resources.

The resources, however, which remained in the possession of the Czechoslovak Government after the fall of the Habsburg Empire were very inadequate. The four years of war had caused great economic damage and had put nothing in its place;

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during the War the entire economic system had been adapted to military needs, and after the War it was necessary to change the whole process of production. Yet practically everything was lacking that was required for this purpose. By the end of the War the fertile districts in the Czech lands were completely ruined although they had been spared the direct horrors of war; the population was without food and clothing; there was no raw material for industry and there were no new machines for the factories; the mines had been plundered, transport was in disorder, the currency was depreciated — everything that makes a modern State a State had been thrown out of gear, and unfortunately the minds of the people had been demoralized.

The initial task of the first Government was to provide the population with food and to safeguard the economic and financial foundations of the State. These seemed to be modest aims for a Government programme, but nevertheless these simple tasks (such as the feeding of the population, a duty with which in normal times the State does not concern itself or concerns itself only in the smallest degree) strained the State resources to the uttermost. The concentrated efforts of several Ministries and sometimes also the intervention of the Entente missions were necessary in order that the diminished stocks of food might be supplemented by imports from abroad; on many

occasions the Council of Ministers anxiously considered how to obtain in good time imports of rice or flour and looked ahead with uneasiness to the times when the payments of instalments were due, owing to the fact that there was an insufficiency of merchandise etc. to take the place of payment in foreign currencies. At that time the question of food-supplies was the most urgent of all and everything else depended upon its solution. Hence owing to the fact that the Czechoslovak Republic had taken over in the first period the economic system which had existed in the former Monarchy and was regarded as the obvious one for a period of transition (a Government-controlled system), the State, or rather the Ministry of Supplies, had the extraordinarily difficult task of seeing to the feeding of the population. The home production had fallen and was far from being sufficient to cover all the needs of the population; it was necessary to make purchase of food abroad. This could not be done, of course, without considerable loans which increased the difficulties of the Government, for the highly industrialized character of the State required that the Government should pay attention also to the interests of the manufacturing classes; moreover the ultimate aims of the financial policy of the State lay elsewhere than the demands of the policy of feeding the masses. In the matter of food-supplies the Government received effective assistance from the countries of

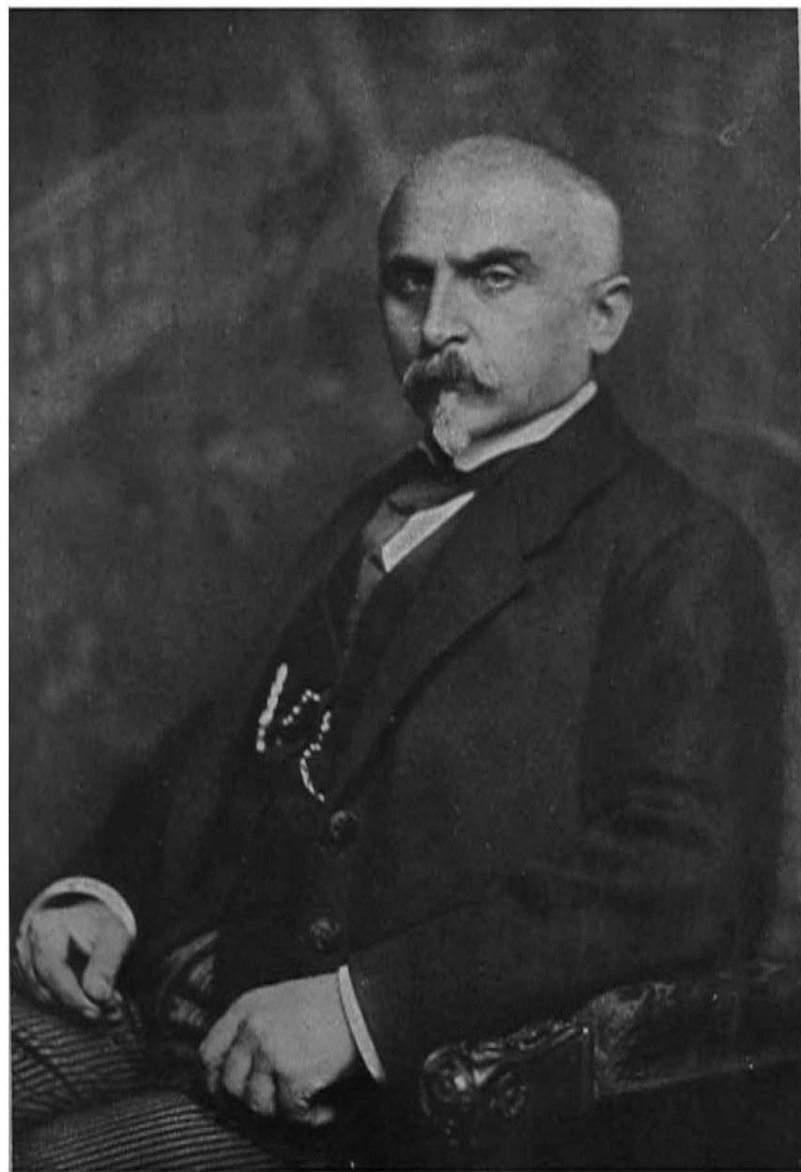
the Entente, particularly from the United States of America, in respect of credits, material and transport facilities; without this support Czechoslovakia would scarcely have been able to live through the first years after the War in comparative peace. The difficulties in connection with the food-supply did not disappear until a few years had passed, when a general improvement took place in the economic situation. The Control system formally came to an end in 1923.

In a similar way the Government had difficulties in safeguarding the economic foundations of the State. It was a question above all of increasing industrial production. Czechoslovakia had taken over the greatest part of the industry of former Austria and Hungary: of the industry of former Austria 56.8% fell to the share of Bohemia, Moravia and Silesia, whilst a considerable part of the industry of former Hungary fell to the share of Slovakia and Carpathian Ruthenia. Czechoslovakia received 92% of the total sugar production of Austria-Hungary, 92% of the glass production, 87% of the malt production, 75% of the cotton industry, and almost the entire production of porcelain. The disintegration of the Monarchy led, of course, to important changes in Czechoslovak industry. Before the War this industry could count on a home market in a territory with a population of more than 50,000,000 inhabitants, whereas after the War it lost about two thirds of this market

owing to the erection of Customs barriers. Hence Czechoslovakia became an exporting country, for 70% of its industrial production depends on foreign exports. This unavoidable change in Czechoslovak industry was not effected without difficulties; they arose in connection with the supply of raw materials, the fluctuation of foreign currencies, and the question of transport, and there was further the danger of social unrest.

Political independence had to be supplemented by economic independence. If Czechoslovakia wished to carry out its own economic policy, it had to erect a Customs barrier for the State territory and have its own currency. The Customs separation from the lands of former Austria-Hungary was effected in February 1919, and soon afterwards the Czechoslovak currency was established in place of the Austro-Hungarian currency. All the measures connected with the beginnings of the Czechoslovak currency and State finances are inseparably bound up with the name of Dr. Alois Rašín, the first Czechoslovak Finance Minister. A fearless organizer of the Czech resistance to Austria, he became after the national revolution an extremely energetic worker in the cause of economic independence. At a time when the economic system was completely dislocated Rašín endeavoured to have order in the State finances and currency regarded as the basic problem of the State administration, and in order to carry out his

clear financial plan he obtained from the National Assembly almost dictatorial powers; he followed with invincible persistence the execution of his plan and he overcame every difficulty. The Austro-Hungarian currency, which had been taken over by the Czechoslovak State at the time of the national revolution, was already considerably depreciated by the war inflation of paper circulation, but the depreciation continued further when the Austro-Hungarian Bank daily printed, despite the protest of Czechoslovakia, millions of new banknotes. Therefore in the first months of the existence of the Republic (25. II. 1919), Dr. Rašín carried through the separation from the Austrian currency; he withdrew from circulation part of the banknotes and prohibited the issue of new paper money without legal cover. The special capital levy, which was intended to improve the Czechoslovak currency and later was introduced by law, was a part of Rašín's plan. The influence of Rašín caused stress to be laid from the outset in Czechoslovakia upon the importance for the entire economic system of a sound currency, and the attention paid to the currency was the deciding factor in the financial and economic policy of the State. This necessitated, of course, energetic measures and no small sacrifices on the part of all classes of the population, since this entire policy was dependent on the continuous hard work and self-sacrifice of all classes; Rašín's watchword



*Dr. Alois Rašin,
the first Minister of Finance.*

« Work and Save », which sounded so hard during the first joyful days of the newly acquired freedom, gradually became the universal maxim in the economic and State life of the Republic. Such were the predisposing causes of Czechoslovakia's successful financial and economic development which became evident in the succeeding years.

If in consequence of Rašín's authority in financial policy the greatest importance was attached to the question of the currency, the remaining tasks of the financial administration were not any easier, and no less energy was required in order to deal with them in an adequate manner. Apart from the great tasks of organization connected with the building up of the State financial administration, it was necessary to compile the first State budget and to secure the first credit in order that it might be balanced, to see to the obtaining of a foreign loan for the importation of raw materials and foodstuffs and to meet the expenses for all the urgent State requirements connected with the establishment of an independent State and with the demands which in the post-War period were made on every State (the building up of an army, the reconstruction of the railways, the adjustment of the salaries of the State employees and teachers, the reducing of the prices of food, welfare work on behalf of the unemployed and war victims, support of the house-building

movement, etc.). It is obvious that not even the extraordinarily energetic Rašín nor his immediate successors at the Ministry of Finance could cause the State Budget to be balanced. Unforeseen expenditure (e. g., that on the war in Slovakia) and the categorical demands of the post-War period thwarted the endeavours of the first Czechoslovak Finance Ministers; budgetary deficits running into milliards of Czechoslovak crowns and the immense sums paid out apart from the Budget were characteristic of the condition of the State finances in the first years of the existence of the Republic. A number of years had to pass before the Finance Minister succeeded in introducing equilibrium into the State Budget; this was effected in consequence of the universal consolidation of conditions in the Republic.

The first years of the Republic did not pass without the direct intervention of the State power in the economic life of the country; in some directions this was inevitable, for the very foundations of economic enterprise had to be restored. But the Government also considerably contributed to the consolidation of economic life by maintaining order in the chaotic conditions and thus facilitating a peaceful development towards a better future. The State revolution in Prague and the Czech lands generally was carried out without bloodshed and with such a small degree of violence that it resembled a demonstration rather than a

revolutionary explosion. The maintenance of good order was the rule during the actual period of the national revolution, and the Government adopted this watchword as the State maxim. It did so with the knowledge that the maintenance of good order would facilitate its administrative work and at the same time would afford the best proof to the outside world that the Czechoslovak people were worthy of possessing a State of their own. This was the purport also of the messages of advice which came to Czechoslovakia from abroad.

Forming thus a correct estimate of the situation, the National Committee laid down in the first law of October 28th that for the time being all the existing laws and government offices would be retained "in order that confusion should not arise and that the transition to the new State life should be effected without disturbance". The new State had the great advantage of possessing a sufficient number of trained officials who kept the entire administrative machine in running order by remaining in their places and subordinating themselves with obvious devotion to the new State authority. In the lower ranks of officials scarcely any changes were made under the new régime. The newly established government offices and ministries were staffed without difficulty by Czech officials who prior to the national revolution had served in the government offices at Vienna or by other specialists who placed their services at

the disposition of the new State. In Slovakia conditions were, of course, much worse: there were no Slovak government officials whatever with a Slovak national consciousness. Hence the Magyar officials who did not wish to serve the Czechoslovak State had to be replaced mainly by Czechs who in the most difficult part of the transition period introduced into the administration the spirit of justice towards all classes of the population and by reason of their self-sacrificing endeavours rendered inestimable services to the national revival of Slovakia. But the unavoidable changes in the administration of Slovakia produced some unfavourable results for the public life in the part of the Republic and were one of the obstacles to the consolidation of Slovak political conditions.

Although the level of the administrative personnel in the new State was maintained, there was a decline after the War in the respect shown towards officials and the State authority generally. The War destroyed many old values, and men who had been through the horrors and sufferings of the War returned home with other views regarding the organization of the world than those with which they had left for the Front. The World War everywhere brought the ideals of democracy into prominence and radicalized all the thoughts of men.

In the Czech lands democracy had been the aim of the national endeavours since the time of the

national revival, and every realization of democratic principles in public life had been rightly regarded by the people as a national success. The happy result of the War presented the opportunity for the programme of democracy to be carried out in its entirety.

It was therefore a foregone conclusion, both among the masses and also their political leaders, that Czechoslovakia would be a democratic republic and that the effort to build up a model democratic State where social justice should reign would animate all the laws establishing the political character of the country. These laws consisted of a provisional Constitution which declared Czechoslovakia to be a democratic republic with a President at the head, a law for the abolition of titles of nobility, and the Municipal Elections Act which was passed at the beginning of 1919. This far-reaching reform abolished the political privileges of property and sex, against which a vain struggle had been conducted for long decades in the Habsburg Monarchy. It showed what direction the other political reforms would take in the municipal councils; now the right to elect members for the municipal councils in Czechoslovakia is possessed by all citizens (of both sexes) who have attained the age of 21 and have resided for at least three months in the municipality.

The radical democratization of the municipal administration soon made itself apparent through-

out the whole of political life. The municipal elections were held under the new regulations in the spring of 1919 (June 15th). At that time the Socialist wave was still advancing all over Europe and consequently the Socialist parties, in Czechoslovakia also, gained a great victory at the elections. The evident sliding of political forces towards the Left furnished the proof that the composition of the National Assembly no longer corresponded to the respective strengths of the parties in the new State. This increased the tension which had existed in Parliament, from the very outset between the Bourgeois bloc and the Socialist bloc and as the National Assembly could not be dissolved until it had completed its work as a Constituent Assembly, the crisis was overcome by a change of Ministers (July 8th, 1919).

The second Cabinet—generally called the Red-Green Coalition—was composed mostly of representatives of the two strongest political parties, the Socialists (eight members) and the Agrarians (four members); the Ministry also included two Slovaks and Dr. Beneš, the Minister of Foreign Affairs, who stood outside the parties. The National Democrats remained outside the Government, as also did the Clericals who had had a representative in the Kramář Ministry. The Prime Minister, Vlastimil Tusar, was one of the leaders of the Social Democrats; he had acquired in his last post—that of diplomatic representative of

Czechoslovakia at Vienna—the art of negotiating and of bringing about indispensable compromises. The majority of the members of the first Ministry again held portfolios in the Tusar Cabinet, and the programme of the new Government was a continuation of that of its predecessor. It was concerned with the problems, still unsolved, that had arisen at the beginning of the new State, and they presented themselves in a form that was even sharper than before. The predominantly Socialist character of the Government and the growing influence of the Labour movement afford the explanation of the fact that the Ministerial programme accentuated the democratic nature of the Republic and also its social problems.

The solution of social questions had been urgent since the establishment of the Republic. On the cessation of hostilities all the countries of Europe had been obliged to regulate the threatening problems of social misery and oppression which were felt more sharply than ever before; their suppression without further delay was essential in that troubled period. The joy and enthusiasm caused by the recovery of national liberty helped in Czechoslovakia, during the first days, to check the social revolutionary agitation, but in this country it was impossible to delay for long the realization of social reforms. The social composition of the Czechoslovak people—the fairly close bond between the upper classes and the working

classes—national tradition and historical development caused the Czechoslovak Republic to follow a categorical social policy which was accepted, even by the Conservative parties, not only as a system of precautions against revolutionary explosions but also, more or less, as a matter of social justice.

One of the most remarkable social laws passed during the first period was the Eight Hours Day Act which came into operation on January 13th, 1919; thanks to this law, Czechoslovakia was the first State that caused to enter the domain of realities the desideratum which subsequently became the programme of international social policy in the spirit of the Peace Treaties. Other texts of great social importance, such as the law on relief for unemployment, had been necessitated, from the first months of the existence of the new State, by the difficult economic situation after the War, at the time when thousands of workers were re-assembling their homes and were unable to find employment on account of the disorganization of production; this provision of relief was later replaced (1925) by a permanent organization of remedies for unemployment, with the application of the so-called Ghent system. To the period of the first Ministry belongs also the re-organization of the sickness insurance scheme which was provided with a definitive legal statute in 1924. The social legislation includes further the protection of te-



*Václav Klobuč,
first Minister of National Defence.*

nants and an entire series of laws concerning the housing shortage which is an urgent question particularly in the large towns; these laws endeavour to reduce the housing shortage through subventions for new buildings. Legislation of this character was inaugurated as far back as 1918, and several enactments of this type are still in force. Naturally the Tusar Cabinet likewise followed the policy of instituting social legislation. At this time, in particular, the State made grants towards the relief of disabled ex-soldiers and of the dependents of the men who died for their country; nearly 500,000 persons were still receiving relief on January 1st 1927 (originally more than 700,000).

All these important social measures were insufficient to calm the agitation which prevailed, immediately after the War, among the masses of the population. The rise of the Socialist movement in Eastern Europe had awakened the desire for a readjustment of social conditions so as to bring about, at least in part, the realization of Socialist economic principles. After the War the project was conceived of effecting this transformation under the form of a nationalization of certain branches of economic life, such as mines, foundries and large landed estates.

As in the neighbouring countries, so also in Czechoslovakia nationalization and economic democratization had become the slogans of the

Socialist parties. The special agrarian situation in Czechoslovakia brought to the forefront demands for the nationalization of the land; it is in this direction that nationalization was first realized. The abolition of the large landed estates and a better distribution of landed property had long been, in the Czech provinces, part of the Czech national aspirations. The unfavourable distribution of landed property, together with its evil consequences, dated far back into the past, and to a certain extent was connected with the fall of the Czech national State in the 17th century; all the elements of the question, economic, social and national alike, appeared when the solution of this question materialized in the independent State. The situation was similar in Slovakia. The nationalization of the land had to satisfy historical justice, fulfil the desires of the poor land-workers, and put an end to emigration. The question was ripe for solution when all the parties, particularly the Socialists and the Agrarians, had agreed upon a compromise. Thus was made the first law which became the basis of the entire Land Reform, the so-called Land Expropriation Act (April 16th, 1919); all the big landed estates in Czechoslovakia that contained more than 150 hectares of arable land or 250 hectares of any kind were declared to be in a state of expropriation. This general law met to a certain extent the requirements of the movement for the nationaliz-

ation of the land, and was the starting-point for the later legislation instituted by the Tusar Cabinet. In the autumn of 1919 the National Land Office was established for the purpose of applying the Land Reform in its entirety, and a decision was arrived at regarding the distribution of the expropriated land and the compensation to be paid to the former owners; by way of concession to the Socialist point of view it was arranged that the expropriated estates could be redistributed to co-operative societies, but otherwise it was the Agrarian standpoint regarding the Land Reform that triumphed. The Land Reform laws passed in a revolutionary period have become in the course of the later development the foundation of a big work of economic democracy, but the attempts at nationalization in the sphere of industrial production have not been successful; the situation here was more complex and the penetration of the Socialist system of production into the capitalist economy was more difficult. Nevertheless, even in this sphere, the Red-Green Coalition passed several laws that form an important manifestation of the efforts of the period towards economic democratization. Such are the laws establishing in the mines the workers' councils of the undertaking and of the mining district, and the participation of the miners in the administration of the mines and in the profits (1920). These laws, which were applied only to one branch of pro-

duction, the mines, opened the way to general laws. A law of this character, and of general application, was promulgated in 1921: that instituting workers' committees in profit-earning undertakings; up to the present no further advance has been made in this direction.

The crowning of the efforts tending towards the institution in Czechoslovakia of a democratic régime was the elaboration of the Constitution in the period of the Tusar Ministry. This was the work of the Revolutionary National Assembly, that is to say, without the participation of the Germans. After long deliberations and numerous compromises between the different parties, the Czechoslovak Constitution was voted by the Constituent Assembly shortly before it was dissolved (29th February, 1920). The Constitution is entirely imbued with the democratic spirit: Czechoslovakia is a parliamentary republic. The legislative power is exercised by a National Assembly composed of a House of Deputies and a Senate, the members of which are elected by universal, direct and secret suffrage with the application of the principle of proportional representation (for the Senate the age-limit of eligibility was raised by four years); at the head of the State there is a president elected by the National Assembly and endowed with considerable prerogatives which make his constitutional position something different from a purely representative one. In spite of

the non-participation of the national minorities which were not yet reconciled to the existence of the Czechoslovak State, the first Legislative Assembly did not reduce their natural rights: all the obligations contained in the treaty concluded on September 9th, 1919 by Czechoslovakia and the Great Powers on the subject of the protection of minorities were inscribed in the Constitution. But in its spirit and stipulations the latter guaranteed the minorities still more extensive rights.

In addition to the Constitution, a great administrative reform, that of the provincial self-government organization, was passed; the aim was to establish in the Czech provinces, as in Slovakia, a uniform administration with a division of the territory, irrespective of the ethnical boundaries, into 21 administrative regions, the *župy* (corresponding roughly to counties). In the new administrative services the bureaucratic element was to be united, in a rational collaboration, with the purely civic element, and whilst the necessary centralization was to be established, room was left for genuine self-government; the old provinces (Bohemia, Moravia, etc.) were abolished as administrative entities, but in view of their extensive tasks the *župy* could be federated in provincial unions of administrative regions. Together with the Constitution and the Land Reform, the provincial self-government organization was the most important legislative work of the revolutionary

period. The administration was here conceived in a truly modern and democratic spirit, and the fundamental administrative problem of a State composed of two different parties, and each of them forming a separate whole—the problem of centralization and autonomy—was solved with a genuine understanding of affairs. This reform, however, was not applied in its entirety; the self-government organization was put on a good footing in Slovakia in 1923, but in the historical lands the reform was continually delayed until at last (in 1927), under the influence of a new political situation, the provincial self-government organization was retransformed (Bohemia, Moravia with Silesia, Slovakia, and Carpathian Ruthenia).

This group of laws practically terminated the legislative work of the Czechoslovak national revolution. In the feverish activity necessitated by a troubled epoch a solid framework had been constructed for the public life of the country. The principles of democracy were incorporated in all the public institutions. This had been done with a sincerity and a courage that had boldly faced the difficulties which were inevitable in a State with a level of cultural life that was so little uniform. It had been accomplished with the conviction that the State, which had been restored in the name of democratic liberty, would maintain its freedom only by freedom and by a freedom which was more and more perfect.

III.

THE FIGHT FOR THE NEW EUROPE

CZECHOSLOVAKIA took the side of the Entente during the War and derived advantages from its adherence to the cause of the victors not only on the occasion of the peace negotiations but also throughout the first years after the War; in the instability of public conditions the Entente was a strong authority and helper. When in the years following the Peace Conference the former alliances entered a period of crisis, Czechoslovakia lost much of the support which had been provided for each of the former Allies by the clear grouping of international forces. There ensued a period when Czechoslovakia had to show whether she was an artificial formation and incapable of life, as her enemies asserted, or whether she was organizing, better than the pre-War political formations, that part of Central Europe which had fallen to her share as State territory. Her foreign policy afforded this proof.

In the first period it had been the task of the country's foreign policy to ensure for Czechoslovakia, which up till then had been only a vague conception of War propaganda, an international position, clearly defined frontiers, and advantageous conditions of existence, and in the further post-War chaos to defend that which had been

attained through the War at the Peace Conference. Now it fell to the lot of Czechoslovakia to take part in international politics and contribute towards the organization of the new order in Europe; Czechoslovakia had to become an active factor in the pacification and consolidation of the new conditions in Europe. In the later years the consolidation of the home conditions, especially in the economic field, effectively supported Czechoslovakia's foreign policy.

It has been to the advantage of Czechoslovakia that the control of her foreign policy has for ten years been in the same strong hands and has not changed even when the not-too-frequent changes in Government have taken place. President Masaryk and Dr. Beneš successfully directed diplomatic affairs even during the War, and under the republican régime both the President and the Foreign Minister have followed in international politics the same principles as those which benefited the Czechoslovak cause in the period of the War. This policy has been universally recognized by all the Czechoslovak political parties; the opposition which in the course of time raised its head against the foreign policy and its representatives was not an objective criticism of principles or practice. In Czechoslovakia there has simply not been any other serious conception of Czechoslovak foreign policy.

The first aim of Czechoslovak policy after the



*Vlastimil Tusar,
Prime Minister in the II. and III. Governments
of Czechoslovakia.*

end of the War was to enter, now on a new basis, into friendly relations with the neighbouring States, with which Czechoslovakia had formerly lived in a more or less close State relationship. Neither in Austria nor in Germany did the Peace Treaties become an obstacle to friendly neighbourly relations with Czechoslovakia.

The small territory (Vitorazsko and Valčicko, 104 and 82 square kilometres respectively), which the Austrian Republic had to cede to Czechoslovakia by the provisions of the Peace of Saint Germain, fortunately did not constitute an open wound such as does not usually heal up even after the course of many years; historical and ethnographical factors, moreover, made this loss more bearable. Also the renunciation of the German districts in the historical lands did not seriously affect the relations between the two neighbouring Republics; the idea that these provinces could be organically joined to the Austrian Republic was illusory, and the struggle for the self-determination of the Germans in the Czech lands was only a survival of the Austrophil tendencies of the German politicians in the Czech lands and not in any way a vital interest of the new Austrian Republic. The economic relations between the two States had been created during the centuries-old period of co-existence; they soon made themselves apparent and exerted an influence also on the political relations which now began to take a friendly

form. Being a component part of the former great political and economic complex, Czechoslovakia now also required for her peaceful development regulated relations with her neighbours. She was therefore led by her own interests to assist, as far as she was able, her Austrian neighbour to overcome its post-War difficulties. This active interest began on the occasion of the visit to Prague in January 1920 of Dr. Renner, the Austrian Chancellor, and prepared the ground for the friendly settlement of all the questions existing between the two countries. The provisional commercial treaty concluded in April 1921 was followed by a political treaty concluded at Lány in December 1921. By this treaty the two States guaranteed each other's territory, promised each other neutrality in case of war and bound themselves to allow in their respective territories no movement tending towards a disturbance of the order created by the Peace Treaties. The Lány treaty was supplemented by the Czechoslovak-Austrian arbitration treaty concluded in March 1926. Czechoslovakia's interest in the successful development of Austria was manifested most effectively in 1922 at the time of the catastrophic collapse of the Austrian currency. Czechoslovakia assisted her neighbour on that occasion with a considerable loan (500,000,000 Czechoslovak crowns) and in particular contributed to the working out and realization of the League of Nations scheme

which became the basis of the financial sanitation of Austria; in addition to an active participation in the Geneva deliberations, Czechoslovakia undertook a guarantee for 20% of an international loan of 650 million gold crowns which was offered Austria in consequence of this scheme. The successful carrying out of the financial sanitation of Austria signified a considerable step towards the pacification of Central European conditions generally, and of course a step also towards the economic reconstruction of Austria. In this connexion the commercial and economic relations between Czechoslovakia and Austria have their importance; these relations were finally adjusted by the commercial treaty of 1924. The interest of the two States in the peaceful development of economic life is shown best of all in the great extent of their commercial relations in 1927: Austria, which occupied the second place among the countries trading with Czechoslovakia, had 11.4% (to the value of 4.341,000.000 Czechoslovak crowns) of the entire turnover of Czechoslovak foreign trade.

The sole obstacle to a complete political entente between Czechoslovakia and Austria is the idea of the incorporation of the latter country with Germany — a question which, of late especially, has come to the forefront of political propaganda. Czechoslovakia categorically opposes such incorporation, seeing in it a menace to her vital inte-

rests. She considers, however, that "Anschl" is not a specifically Austrian or German problem nor one affecting merely Central Europe, but it is a question of interest to Europe as a whole and ought to be settled as such.

The territory ceded to Czechoslovakia in 1918 did not occasion a lasting disagreement between the two States. Compared with the other territorial changes, the Hlučín region could be considered but seem a mere trifle (285 square kilometers) and moreover, of the 45,000 inhabitants who remained in the region, only 14% were Germans. Germany never made any serious attempt to obtain the German regions in Czechoslovakia and the reasonable policy of the Czechoslovak Government towards the German minority gave no cause for irreconcilable bitterness on the part of Germany. Thus despite the fact that at the Conference of 1918 Czechoslovakia was in the opposite camp (by reason of her armies of legions abroad she was really in the opposite camp to the Central Powers of the War), the inter-State relations of the two republics were entirely correct from the beginning. The questions connected with the taking of the Hlučín district (1920) were settled without difficulty, as was the case also with the conclusion of the economic agreement which was necessary in view of the close relations of the two countries; in the trading relations of Czechoslovakia, Germany occupied in 1927 the first

with 22.6% (valued at 8.601,000.000 Czechoslovak crowns) of the entire turnover.

The peaceful adjustment of the frontiers and the speedy linking up of friendly relations between Czechoslovakia and Germany threw into contrast the long-drawn-out dispute between Czechoslovakia and Poland. The settlement of the dispute over the Těšín (Teschen) district, which had been part of the old State of Bohemia, was a longer matter than the conclusion of all the Peace Treaties in which Czechoslovakia was interested. The whole course of the conflict, at first the military movements which led to the occupation of the Těšín district by the Poles and then to its recovery by the Czechs, afterwards the various fruitless attempts to arrive at a settlement and finally the excitement over the plebiscite, stirred up public opinion on both sides to such an extent that even after the question was settled by the decision of the Allies (in July 1920) there remained much bitterness which prevented an immediate rapprochement. Nevertheless at the beginning of 1921 the Czechoslovak Foreign Minister took the initiative in working for friendly co-operation with Poland, and in the same year negotiations were conducted for the conclusion of a commercial treaty and a political treaty between the two States; also these relations were further developed at the time of the negotiations at Geneva in the following year and during the conference of the Little

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The territory ceded to Czechoslovakia by Germany also did not occasion a lasting disagreement between the two States. Compared with the other territorial changes, the Hlučín region could not but seem a mere trifle (285 square kilometres); moreover, of the 45,000 inhabitants who now became Czechoslovak citizens only 14% were Germans. Germany never made any serious attempt to obtain the German regions in Czechoslovakia, and the reasonable policy of the Czechoslovak Government towards the German minority gave no cause for irreconcilable bitterness on the part of Germany. Thus despite the fact that at the Peace Conference Czechoslovakia was in the opposite camp (by reason of her armies of legionaries abroad she was really in the opposite camp during the War), the inter-State relations of the two new republics were entirely correct from the very outset. The questions connected with the taking over of the Hlučín district (1920) were settled without difficulty, as was the case also with the conclusion of the economic agreement which was so necessary in view of the close relations of the two countries; in the trading relations of Czechoslovakia, Germany occupied in 1927 the first place

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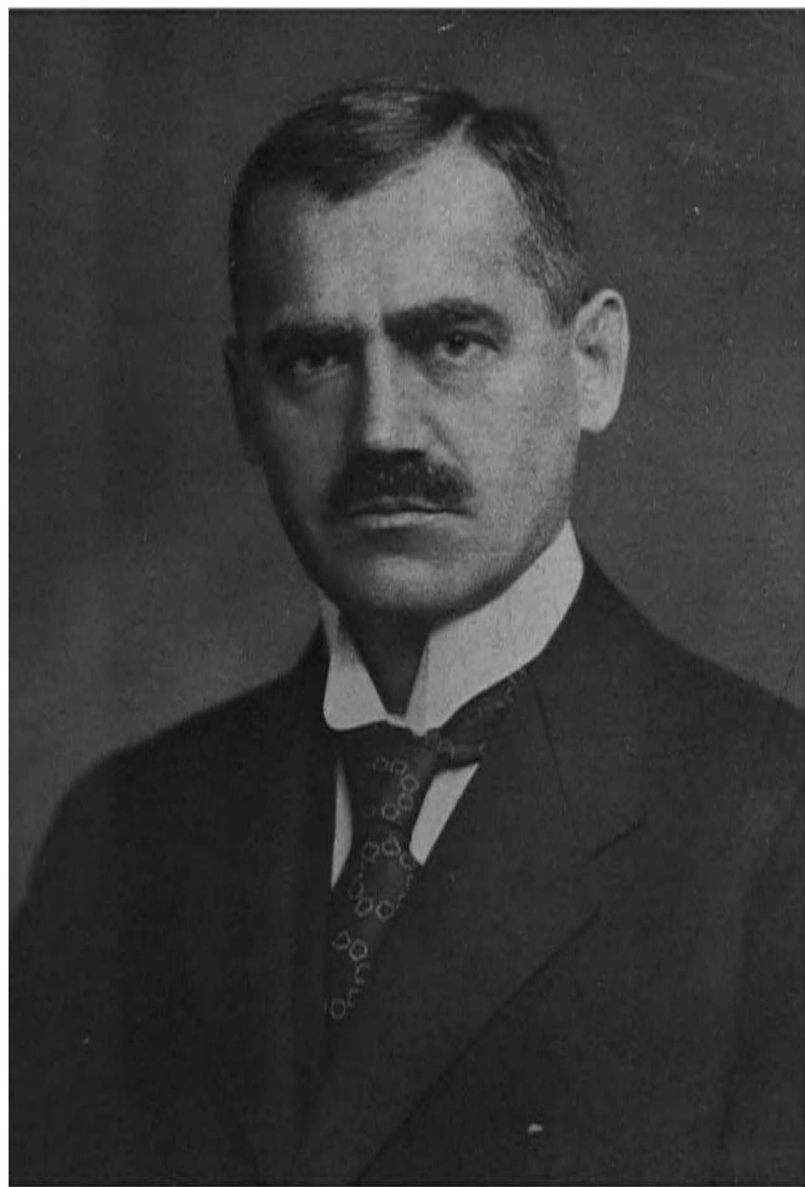
Entente in Prague. But this successful beginning of a rapprochement was held up for several years by the dispute over Javorina, a small district which is important particularly from the tourist traffic point of view and which was claimed by the Poles in connection with the carrying out of the frontier delimitation. The Czechoslovak-Polish treaty was not ratified; the party interests of home politics exploited this really subordinate question of a detail in frontier delimitation and threatened for a time to thwart the serious endeavours of the responsible statesmen to arrive at a genuine peace between the two neighbouring States. It was not until the dispute had been settled by recourse to the Permanent Court of International Justice in the spring of 1924 that an opportunity was presented for a continuation of the work that had been started three years before. The political rapprochement of Poland and Czechoslovakia was completed in the spring of 1925 (23. IV. 1925) by the signing of a treaty of arbitration.

Time and the goodwill of the leading statesmen brought about an adjustment of the relations, at first so strained, between Poland and Czechoslovakia, but the southern frontier of Czechoslovakia adjoining Hungary has remained the cause of a lasting disagreement which has been the source of constant difficulties. Hungary has not reconciled herself to the state of affairs created by the Peace Treaties and has placed herself in

opposition to the new order in Central Europe; the ruling classes of old Hungary have remained in power in the new State and the territorial losses of Hungary have affected very painfully precisely these classes. In the unstable conditions of the first few years after the War attempts were made to overturn the new order by means of force, in as far as it appeared that this method would achieve the end; since then Hungary has employed more peaceful methods, but remains equally unreconciled. It is only in Hungary that the idea of a restoration of the Habsburgs has remained a political force; whilst in Czechoslovakia the question of the old dynasty was settled by the proclamation of the Republic and in Austria the Socialist régime has kept the remaining adherents of the Habsburgs out of power, the Magyar Legitimists combined, in the political life of their country, the dynastic question with the idea of the territorial integrity of old Hungary, and by their attempts at a restoration of the Habsburgs they disturbed the political development of their neighbours. A restoration of the Habsburgs in a territory of the former Monarchy meant, if not a danger, at least a source of unrest for the other Succession States; this is also how the Allies have regarded a restoration of the Habsburg dynasty in Hungary. The protection of the territorial integrity of former Hungary was the political idea of the Károlyi Government when it opposed the

cession of Slovakia, and the war waged over Slovakia by the Red régime was based on the same idea. Just as the Entente intervened on the occasion of the invasion by the Red troops, so also after the liquidation of the Communist Government the Allies suppressed the Habsburg propagandist efforts in Hungary by making it clear that a restoration of the Habsburgs at Budapest would not be tolerated. The Peace of Trianon (4. VI. 1920) produced no change in the political thought and endeavours of the Magyars, for they did not consider the provisions laid down therein to be definitive and did not abandon their claims to the lost territories; they conducted a very energetic propaganda for this purpose in Slovakia.

The first steps towards the settlement of at least the most urgent questions of mutual relations were rendered ineffective by the Easter "Putsch" of the ex-Emperor Charles who had returned to Hungary and had decided to seize the government in Budapest in the last days of March, 1921. This attempt called forth the diplomatic intervention of Roumania, Yugoslavia, Italy, Czechoslovakia and also of the Entente which once more emphasized its anti-Habsburg standpoint. When, however, the Hungarian Government adopted a waiting attitude and the departure of Charles was thereby delayed, the representatives of the Little Entente threatened to take military measures in common. Thereupon the last King of Hungary



*Jan Černý,
Prime Minister in the Cabinet of Officials.*

left Hungary (5. IV. 1921), and thus the entire venture, which, was perhaps instigated abroad, was brought to nought in the course of a few days.

The atmosphere created by Charles's "Putsch" was not, of course, favourable to friendly negotiations, although these were continued. The Legitimist movement, which was greatly gaining in strength at that time, naturally prevented a rapprochement, especially when the Government itself held the view that Charles had not ceased to be King of Hungary in spite of the fact that he could not for the time being fulfil the functions of monarch. The Burgenland rising was intended to render ineffective the provisions of the Treaty of Trianon in regard to Austria and supplied a proof of the political plans in Hungary.

Six months after the Spring attempt, the ex-Emperor tried once more to effect a restoration of his power in Hungary (towards the end of October, 1921). Special weight was added to the immediate diplomatic protests by the mobilization of the military forces of Czechoslovakia and Yugoslavia; the Governments of these two States informed Budapest that they regarded the presence in Hungary of the former Hungarian King as a *casus belli*. The diplomatic intervention of the Great Entente and the Little Entente compelled the Hungarian Government to decide in favour of the internment of Charles and the exclusion from the throne of all the members of the Habs-

burg family. The insufficiently definite law on the dethronement of Charles and the abolition of the Pragmatic Sanction was passed on November 6th, 1921 by the Hungarian Parliament under diplomatic and military pressure, but it had to be supplemented by the declaration made four days later that without the permission of the Powers represented at the Conference of Ambassadors Hungary would not settle the question of the next King; this declaration by the Hungarian Government had the character of an international obligation and was registered at the League of Nations.

The enforced decision thus arrived at in regard to the dynastic question did not, of course, contribute towards the improvement of relations between Hungary and her neighbours. The death of Charles on April 1st, 1922 made the question of a restoration of the Habsburgs rather less prominent, but otherwise brought about no change in the situation. The entry of Hungary into the League of Nations (7. IX. 1922) did not ease the strain which was constantly maintained on the part of Hungary by irredentist propaganda and direct incitement on the frontiers. A turn for the better did not set in until the Hungarian Government was obliged, owing to its unsatisfactory economic and financial position, to seek a foreign loan; it was then clearly intimated to Hungary that the path towards a fulfilment of her requests

lay through an agreement with her neighbours. Therefore in 1923 the Hungarian Premier, desiring to facilitate the financial sanation of Hungary by the League of Nations, began seriously to negotiate with the representatives of the Succession States regarding an adjustment of relations. The negotiations, however, were extraordinarily protracted and the results appeared very slowly. In addition to the economic factors in the difficulty to accomplish an adjustment of relations, there was the very important political factor of the attitude of Hungary who was reluctant to enter into a genuine agreement with her neighbours, and particularly with Czechoslovakia, for she rightly feared that a favourable adjustment of commercial and economic relations would improve the political relations and thereby weaken the arguments of the leaders of the movement which was in favour of a revision of the Treaty of Trianon. The commercial treaty concluded in the spring of 1927 failed, therefore, to fulfil the hopes placed in it from the point of view of political co-operation. The nature of Hungarian political thought still continues to be shown more by the paper-money forgery affair (revealed in the winter of 1925) and the campaign, supported by Lord Rothermere, for a revision of the Treaty of Trianon than by attempts to arrive at a rapprochement with the neighbouring countries. Such an atmosphere naturally generates the most rô-

mantic hopes of a restoration of Greater Hungary, but it does not further the sober work of Central European consolidation.

With Roumania, her easternmost neighbour, Czechoslovakia has had no differences of opinion; the question of frontier delimitation caused no serious difficulties, and mutual relations naturally developed in a friendly manner. In old Hungary the nation-conscious Slovaks joined forces with the Rumanians in a common struggle for national liberty, and under the changed conditions after the War their common interests remained. Czechoslovakia and Rumania had common interests in the disintegration of the Habsburg Monarchy and in the maintenance of the territorial distribution made by the Peace Treaties; both States were equally threatened by the danger of a restoration of the Habsburgs.

The Kingdom of the Serbs, Croats and Slovenes was in a similar position. The Czechoslovak people had long had feelings of genuine friendship towards this Slavonic State, and during the War this friendship produced splendid results. Hence from time to time the two nations acted in common in certain questions. The Peace Conference at Paris presented an opportunity for this, particularly on the occasion of the negotiations for the Treaty of Trianon, Roumania, Czechoslovakia and the Serb-Croat-Slovene Kingdom acted in common on that occasion both with regard to

Hungary and to the Allies. The defence against Hungary constituted a common bond between the three States and thus gave rise to the formation of an alliance of the States that had come into being in consequence of the disintegration of Austrian-Hungary.

This negative factor of defence was not the only reason for the formation of the Little Entente. During the World War, Masaryk, the leader of the Czechoslovak national revolution, devised plans for the adjustment, after the War, of the mutual relations between the emancipated nations and for the replacement of the old political system of Central Europe: the New Europe was to be organized on the territories of the defeated monarchies. Similar programs for new federations and alliances adapted to the requirements of the time appeared also elsewhere (Take Jonsescu), but the realization of these ideas proved more difficult than was expected at the beginning; at the very moment when the national States were being established there were more mutual conflicts than had been anticipated, and these had to be removed before the way could be made clear for friendly co-operation.

The Czechoslovak Foreign Minister observed very soon the need for a defensive alliance against Hungary, and owing to the fact that Czechoslovakia had no disagreements either with Yugoslavia or Roumania, he endeavoured, after the end

of 1918, to convince Belgrade and Bucharest of the advantages that lay in an alliance of this kind. The more active monarchist reaction in Germany and elsewhere (in the spring of 1920) and Hungary's offer to the Entente of her services against the Bolshevik armies during the Russo-Polish war accelerated the diplomatic negotiations between the Prague and Belgrade Cabinets. In the summer of 1920 (14. VIII.) Dr. Beneš negotiated at Belgrade a defensive alliance between Czechoslovakia and Yugoslavia by which each contracting party bound itself to assist the other in the event of an unprovoked attack by Hungary. The Bucharest Government also considered itself bound to assist one or other of these friendly States in the event of a Hungarian attack but did not at that time sign a formal agreement. The designation "Little Entente" now began to be used for this new political group, in which Roumania was for the time being only a passive partner; at first the words were employed in an ironical sense but soon they came to have as real a significance as the formation itself.

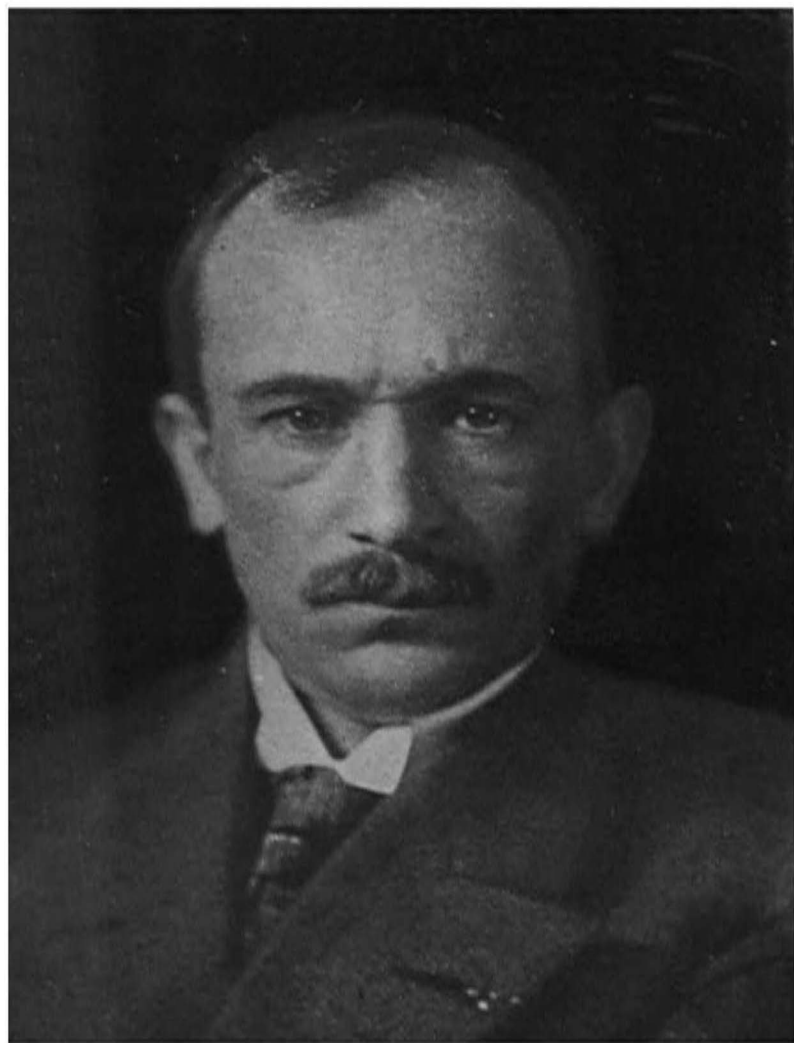
The alliance proved its value in the spring of 1921 during the first "Putsch" of the ex-Emperor Charles, and the diplomatic success obtained induced Rumania to conclude with Czechoslovakia a formal treaty (23. IV. 1921) which was on the same lines as the August treaty. This series of treaties was completed in the summer of the same

year (7. V. 1921) by a treaty between Rumania and Yugoslavia which, in addition to the Treaty of Trianon, guarantees the carrying out of the peace conditions by the Bulgarians.

In the succeeding years the treaty system of the Little Entente was further consolidated and steadily assumed a greater international importance. The original object of the Little Entente was merely to protect the post-War régime in Central Europe and to facilitate common action in all questions concerning Central European order; the regular conferences of the Foreign Ministers of the Little Entente became an excellent organ of common action. But in the course of time the Little Entente outgrew its original defensive purpose. The consolidation of peace in Central Europe necessarily came largely to depend on the fact that the basic questions of the foreign relations of the States forming the Little Entente were settled in a friendly manner by the three responsible statesmen concerned, for the combined territories of the three States cover an area greater than that of former Austria-Hungary and their populations exceed 40,000,000 inhabitants. The Little Entente's goodwill towards peace and its active efforts for co-operation in economic and political life naturally produced a beneficial effect on all the neighbouring countries and diminished the disadvantages which arose from the disintegration of the great economic area formed by the Habsburg

Monarchy. Thus the Little Entente gradually became a powerful factor of European stability, and in the future will continue to be so in an even greater degree wherever goodwill is shown towards a similar peaceful co-operation.

Good relations between Czechoslovakia and several of the Great Powers preceded such with her immediate neighbours; her remarkable origin during the War and the recognition of the Czechoslovak State by the Great Powers before it was proclaimed in Prague demonstrate this fact with sufficient clearness. In the course of time as the united front of the Allies from the period of the War and the interest of the Great Powers in the new order in Central Europe began to weaken, the friendly attitude of the Great Powers towards Czechoslovakia began to decrease in intensity. Throughout the entire decade the friendliness of the relations of Great Britain and especially of France towards Czechoslovakia has remained undiminished. A positive proof of close political friendship with France was provided by the political treaty for the defense of their common interests (25. I. 1924). This treaty merely crystallized the existing political friendship between the two States; for Czechoslovakia — and for the entire Little Entente — it signified, of course, a wider support in Europe, while France desired to contribute towards a partial consolidation of the guarantees of European peace at least within the



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Minister of Foreign Affairs, and Prime Minister in the
V. Government of Czechoslovakia.*

framework of the regional treaties. Just as France had previously helped Czechoslovakia in the field of international relations, so now the alliance became the basis of the collaboration of Czechoslovakia in the settlement of the problem of the guarantees of European security and led to the participation of Czechoslovakia in the Locarno negotiations, in the framework of which the alliance with France was consolidated on a wider basis by a guarantee treaty.

The Locarno Agreement solved the relation of Czechoslovakia towards Germany; the Locarno Treaty includes in addition to three other arbitration treaties also a treaty between Germany and Czechoslovak guarantee treaty. Participation in relations between the two neighbouring States acquired a political character; at the same time it is a significant fact that the treaty was concluded in connexion with the adjustment of the attitude of Germany towards France and that Germany on the same occasion took cognisance of the Franco-Czechoslovak guarantee treaty. Participation at the Locarno negotiations brought Czechoslovakia among the participants in the Kellogg Pact, by which the United States demonstrated its desire to take part in the solution of the peace problem.

Italy during the War gave considerable support to the Czechoslovak revolutionary movement. The new Central Europe which arose from the Peace Treaties and certain of its urgent quest-

ions — such as, e. g., the restoration of the Habsburgs — held the attention of Italy as well as of the Succession States. In the first years after the War there was a complete agreement in international policy between Czechoslovakia and Italy. Later, in particular after the inauguration of a new regime in Italy, a change took place, caused in the first place by the relations between Italy and the Kingdom of the Serbs, Croats and Slovenes, and by a tendency on the part of Italy to prevent the formation in Central Europe of a close grouping of States which would be — as it appears to that country — a copy of the old Monarchy. But since these discords issued rather from a diversity of conception than from conflict of interests, it was found possible to base the relations between Czechoslovakia and Italy upon a pact of friendship and cordial collaboration, concluded on the 26th of May 1923.

Russia has become for Czechoslovakia — as also for the majority of European States — an unsolved problem; by reason of its special political and economic system Soviet Russia was in the first years a threat to the West and so far has not been fully incorporated in the European State and economic system. The old Russophil traditions in Czechoslovakia acquired after the War a double form; on the one hand Soviet Russia was sharply denounced by the Conservative elements and a demand was made for an intervention against the

Soviet system of government or at least for the isolation of the Soviet Union, whilst on the other hand the Czechoslovak Communists identified themselves completely with the ideals of Bolshevism. The course of the official foreign policy was not deflected by either of these extreme views, but followed the line of seeking the best way of satisfying Czechoslovak interests, especially in the economic field. An opportunity for this was provided by the Genoa Conference, one of the chief aims of which was the economic reconstruction of Russia in conjunction with that of Europe. From the negotiations at Genoa there arose for the time being a commercial treaty (5. VI. 1922) which laid down, in addition to other essential matters, the regulations for commercial relations between the two States. This treaty became the basis of Czechoslovakia's attitude towards Russia; owing to the economic decline of Russia, commercial relations have not, of course, developed in a particularly profitable manner. So far Czechoslovakia has not accorded Russia juridical recognition. This has been one of the few foreign questions in which the Czechoslovak political parties have shown a lively interest; it became a subject of dispute and consequently the Czechoslovak Foreign Ministry was unwilling to render unsettled the internal political conditions by the question of the recognition of Russia; moreover the Foreign Ministry regarded

this as being merely a formal act. The return of Russia into the comity of European nations is an open question for Czechoslovakia as also for the rest of the world.

An effective instrument for the post-War consolidation of Europe has been the institution of international conferences convoked from time to time for the purpose of settling definite questions and particularly the institution of the League of Nations. Czechoslovakia was aware of the importance of participation in these international collective actions and therefore has endeavoured to make her influence fully felt in them. From the outset Czechoslovakia has realized in her foreign policy the idea and methods followed by the League of Nations — indeed the entire Central European policy of Czechoslovakia is nothing else than an endeavour to spread the spirit of Locarno throughout Central Europe — and consequently has been able to consider her collaboration with the League as an obvious element in her foreign activity. This collaboration has manifested itself by intensive work in all the committees and institutions of the League to which Czechoslovakia has been invited, and particularly by the initiative and activity of the Czechoslovak Foreign Minister who for several years was a member of the Council of the League. Czechoslovak representatives have been found wherever it was possible, apart from their functions as State delegates, to make use of their exper-

knowledge and capacity for continuous hard work. Thanks to this, the name of Czechoslovakia has been connected with the most characteristic actions of the League of Nations. This is true especially as regards the Geneva Protocol of 1924 which endeavoured to solve the problem of the safeguarding of world peace on the widest basis.

Czechoslovakia has laboured devotedly and sincerely for the cause of the League of Nations. She has done so with the conviction that by working to the full extent of her power for the preservation of European peace and security, she is creating the strongest guarantee also for her own existence and development; she has done so further with the conviction that if Czechoslovak policy is to be correct and successful, it must be guided by world considerations. By acting thus, Czechoslovakia has only followed the advice of her leaders from Palacký to Masaryk who, whilst their country was still under the yoke, saw that the future of their nation lay in its capacity to undertake the duties of world citizenship.

IV.

TOWARDS DEMOCRACY

WHEN the second Government had laid the Constitutional and administrative foundations of the young State, it carried out in the spring of 1920 the first elections to the House of Deputies and to the Senate (April 18th and 25th, 1920); with these elections the first and revolutionary period of the State life of Czechoslovakia came to a close.

The Constitution laid down that the number of Deputies and Senators should be 300 and 150 respectively. But the parliamentary elections were not held throughout the entire territory — a decision had not yet been reached concerning the Těšín (Teschen) district, a part of Carpathian Ruthenia was still in the hands of the Roumanians, and no elections were held on the territory ceded by Austria and Germany. Thus 281 Deputies and 142 Senators were elected, and later there were added 4 Deputies representing the legionaries who at the time of the general elections were for the most part still in Siberia. Altogether 23 political parties took part in the elections (11 Czechoslovak parties, 7 German parties, 4 Magyar and Magyar-German parties and the Jewish party, some of which, e. g. the Jewish party, secured no seats owing to the small poll they obtained). The Czechoslovak parties secured 199 seats (68.6% of the total number

of votes), the Germans 72 (25.6%), and the Magyars 10 (4.5%). The number of Socialist Deputies was 139 as compared with the 146 Bourgeois Deputies of the various parties and nationalities. This political distribution did not find application, however, either on the occasion of the formation of the new Government or in Parliament. The Germans both of the Bourgeois and Socialist parties took up a sharply negative attitude towards the Czechoslovak State which they regarded as being merely the result of violent action and a transitional formation, and continued to hold this view throughout the period of the first elected National Assembly and indeed later. Although the actual relations of the Bourgeois elements in the German minority became much more friendly and co-operation in all branches became closer year by year, the negative attitude of the Germans towards the State signified a political loss, for they were a minority representing nearly one quarter of the population and a great economic and cultural force. In consequence of the refusal of the Germans to co-operate in the further building up of the State, some kind of coalition of the Czechoslovak parties was unavoidable and this had to take over the government in the Republic.

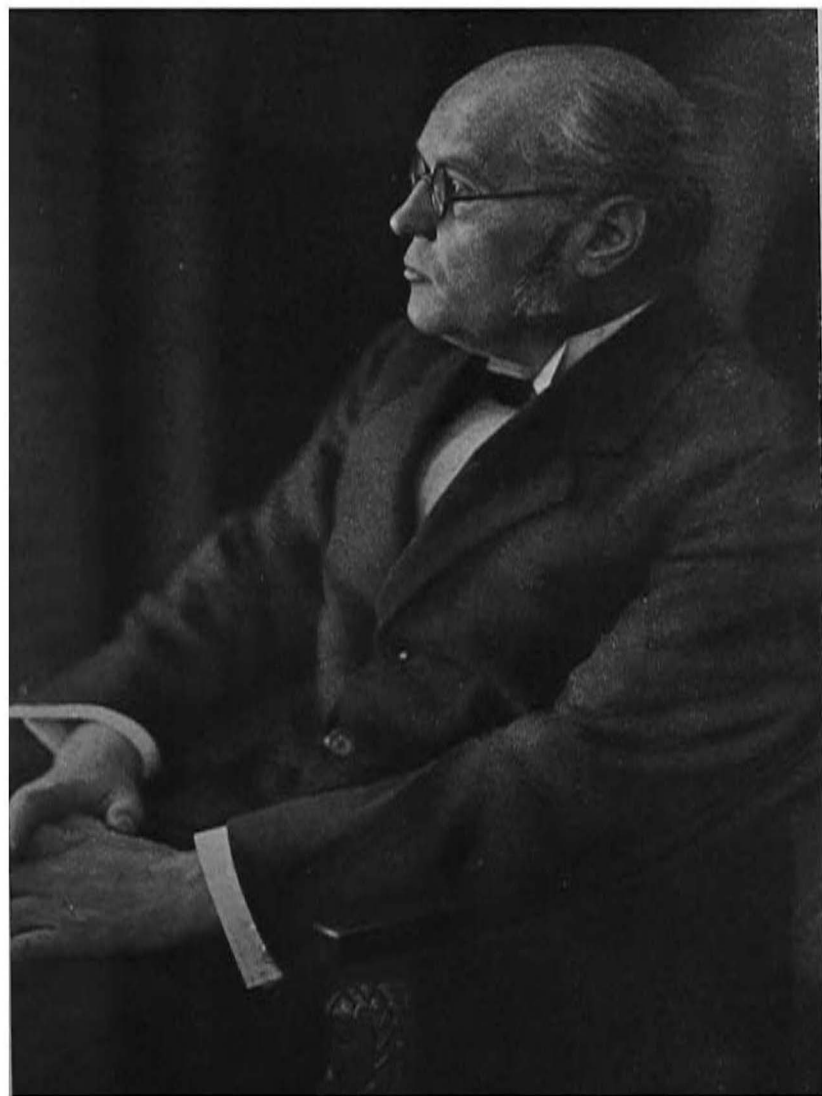
As a result of the elections, the Socialists and the Agrarians, who were the strongest of the Czechoslovak parties, obtained the leadership in the administration of the State; in the Czech camp

50.6% of the votes belonged to the Socialist parties and 49.4% to the Bourgeois parties. The previous Prime Minister, Tusar, formed the new Government (25. V. 1920) from Socialists and Agrarians; really he reconstructed his first Government. The portfolios of Finance and Foreign Affairs were taken by non-party experts.

Immediately after the constitution of the National Assembly (27. V. 1920) President Masaryk submitted himself to a new election at a combined meeting of the two Houses of Parliament; he was elected by 284 votes out of 411, the German candidate obtaining 61 votes.

The programme of the new Government was again concerned with the practical needs of economic and State life, as was the case during the existence of the first Tusar Cabinet; the main emphasis was laid upon the necessity for order so that the democratic and social development at home could be realized without any interruption, and upon the absolute need for peace abroad.

The position of the Tusar Government in Parliament was very difficult, for it was opposed by a united front of the national minorities. This opposition, in which the Germans were the most numerous element, sometimes became so sharp as to constitute an obstruction. Moreover, the German opposition was a difficulty not only for the Tusar Government. All the Czechoslovak Governments had to deal with it right up to the year 1926,



*Dr. Antonín Švehla,
Prime Minister in the VI., VII. and IX. Governments
of Czechoslovakia.*

when certain of the German groups agreed to cooperate with the Government majority; subsequently the Germans entered the Government. The Tusar Government was frequently opposed also by the Czech Bourgeois parties, and in the Government Agrarian party itself there was a strong wing which on principle did not approve of the Red-Green Coalition. The Government could safely rely only on 144 votes (out of 281), so that its majority was a very insignificant one. With this majority the Government of Workers and Peasants ruled the Republic in the most difficult period of its history. But for its work it had a powerful support.

This support consisted in the authority of President Masaryk which in the first period of the Republic, the period of general upheaval and confusion, was unlimited. As a thinker and guide of the national life, Masaryk had, even before the War, a greater influence upon the thought of his nation than any other of the political leaders. The successes of his work of national emancipation extended his power over the whole of the nation; the devoted adherents of the fearless philosopher were now joined by the enthusiastic admirers of the man of action and the hero, for during the War in particular Masaryk had come to be regarded in this light by the masses of the population. The Czechoslovak legionaries abroad and all the people at home saw in him the leader who could be safely

followed. This confidence of the masses, especially of the organized workers, in the Head of the State was at that time a very valuable asset for every Government.

The return to the Republic of the leader of the victorious Czechoslovak legionaries had been awaited as an assurance of safety in the midst of the difficult conditions of government. None of the home politicians possessed as wide a mental horizon, as great a degree of statesmanlike wisdom and as much practical political experience as were brought by the first President from his journeys abroad, when he organized during the War the Czechoslovak armies and gained the support of the leading statesman for the independence of his nation. He alone possessed at that time sufficient authority to control the leaders of the mutually antagonistic parties and hold them together in a Coalition Government; a coalition of the Conservative and Radical elements, so necessary for the consolidation of the Republic, was not regarded at that time as being an obvious necessity nor was it dictated by the mere interests of the parties. Owing to the authority of the President Czechoslovak policy followed the definite line of pacification through the regulation of the revolutionary movement and not through opposing or suppressing it. This was apparently quite a simple maxim but it was difficult to carry it into effect in a revolutionary period, and in none of the new States was

it carried out so consistently and successfully as in Czechoslovakia. Through his authority the President led the parties on the Right and — an equally difficult task — the politicians of the Left to accept the maxim of democratic development and the peaceful methods of agreement. In this way he saved the Republic from the worst shocks at the time of its greatest weakness.

President Masaryk has remained an authority and central figure in Czechoslovak political life not only because he has been Head of the State uninterruptedly since 1918 — an exception is made in his case by the Constitution, for he can be repeatedly re-elected to his office — but also because in every Government he has constantly followed the same fundamental political principles; he has always given the direction towards further development with principles and watchwords which have been put into effect in Czechoslovak political life only in the course of time.

The method of democratic co-operation which the President indicated in Czechoslovak political life met with many obstacles, some of which lay in the political development of the Czechoslovak people. Up to the national revolution of October 1918, the attitude of the Czechoslovak people towards the State, i. e., towards the Austrian State, was negative on principle. The interests of the State, owing to its German orientation, did not coincide with the national interests, and since the

governing power was not in Czech hands, the Czech lands could make national demands but could not fulfil them, for that was the affair of the Government. This method of political procedure was used in the Austrian Parliament for whole decades and it produced in the population an attitude of constant opposition which remained even after the national revolution when conditions had radically changed and the government, the power and the entire responsibility had passed into Czechoslovak hands. Thus it came about that the Czechoslovak Governments have been obliged to reckon more with a spirit of opposition in their own ranks and with extreme demands made by their own adherents than with the opposition of those who would be bold enough to undertake the responsibilities of governing the country.

Such were the difficulties not merely of the first Governments but also of all the Governments in the first years of the existence of the Republic. Oppositionists did not become statesmen overnight. In order to be a political leader it sufficed as a rule to be a good agitator. In the Czechoslovak nation there were not enough men with a sufficient practical knowledge of the State administration in the higher branches. Also there was as great a lack in Czechoslovakia of real statesmen as in any other European State. The choice of leading politicians was not very extensive, and thus the same individuals were always re-appearing on

the political stage; this also applied elsewhere. The disadvantage of Czechoslovakia lay in the fact that being a new State it did not possess what the older States had, namely a smooth-running State machine and real State traditions. These had to be formed; but first it was necessary to carry through the transition from State-negation to positive participation, from the Guardian-State to the Democratic Republic, i. e., to a republic with very radical laws and institutions. The high level of education of the population, particularly in the Czech lands, was a real guarantee that the democratic Constitution would not remain merely on paper, but time was necessary before the former Austrian subjects could become true Czechoslovak republicans. These were the difficulties of a democracy that was in process of formation, and the new State could not avoid them.

The greatest difficulties, however, of the Tusar Government were those caused by the Social Democrat party itself. The latter had gained an extraordinary victory at the elections with one quarter of the entire number of seats (this party secured 74 seats in the House of Deputies and 41 in the Senate); in view of the large number of political parties in the Republic this success was something quite unusual, and in the following elections these figures were not reached by any party. The very advanced stage of industrialization of the Czech lands, the homogeneous character of the Czecho-

slovak nation and its absence of sharply-defined class distinctions, and the very advanced political thought of the higher social elements provided the natural conditions for the development of socialism. But the extraordinary growth of all the Socialist parties in the Republic was connected also with the post War increase of the Socialist movement in the whole of Eastern and Central Europe and with the universal radicalization of the masses generally. This radicalization had its roots in the increased class-consciousness of the masses and also in the extreme dissatisfaction with post-War poverty. Socialism was regarded as a panacea for all the ills of the War and of the post-War period and therefore in the April elections not only the organized industrial workers in the Czech lands voted for the Socialist parties but also the backward classes of the poverty-stricken population in the Slovak regions.

It is obvious that a party which had increased so rapidly could not remain united with a single programme. The party contained disciplined members who saw in participation in the control of the State and in social reforms a convenient means for a gradual realization of Socialist principles in the State and in economic life, and also Radicals who were not satisfied with democratic methods of political struggle and in accordance with the Russian model proclaimed the necessity for the immediate establishment of the Dictatorship of the Proletariat.

Both these tendencies existed in the Czechoslovak Social Democrat party from the very beginning of the Republic and struggled against each other within the party for predominance. The radical pro-Bolshevik wing came under the direct influence of Soviet Russia which it regarded as its practical model; from Soviet Russia came also the chief agitators for a dictatorship, whether of a Czech or non-Czech origin. The strengthening of this maximalist tendency was furthered not only by skilful propaganda but also by the unfavourable home situation which still showed no real signs of improvement; moreover the course of political events in some of the neighbouring countries raised the hopes of the extremists. Difficulties increased, people became more impatient, and the Left wing of the Social Democrat party steadily grew stronger. Instead of being the disciplined body that it was before the War, the Social Democrat party, although strong numerically, was torn by internal dissensions. The party leaders desired to preserve the unity of the party even at the price of concessions to the extremists, for they rightly saw that success depended upon size of membership. The responsible leaders lost their hold especially when (in the beginning of 1920) the Communist wing of the party became strongly organized and started to conduct an extensive campaign against the coalition policy of the party. It was no longer a question merely of the continuance of the

party in the Government, for the Left wing desired to bring about the adherence of the party to the Moscow Third International; this would have meant, of course, an end of democracy and Constitutional parliamentarism, the principles which now guided Social Democracy. Thus after nearly two years of active work on the building up of the State the Czechoslovak Social Democrat party found itself in a sharp crisis. Also sooner or later, the Social Democrats in other countries suffered a similar crisis in as far as they took over the reins of government; after the War the crisis of Socialism was a universal phenomenon.

The crisis in Czechoslovakia culminated in the autumn of 1920, when the Left wing threatened to dominate the congress convoked for the end of September and thereby also the entire party, and to announce their adherence to the Moscow International. Then at last the party leaders decided to expel from the party the upholders of Communist principles. Convinced that they were representing only a section of the party, the Social Democrat Ministers resolved to leave the Government. They did so also in order to be able to work within the party and to purge it of undesirable elements; at the congress the leaders then postponed the struggle over the party until a more convenient time (the end of November).

The crisis in the Czechoslovak Social Democrat party brought about a Government crisis which



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Minister of Finance.*

could not be overcome by means of the customary alternation of parties; the disintegration of the party shook the very foundations of parliamentary government. The Czech parties that were not represented in the Government could not with their 55 seats outweigh the 74 Social Democrats, even if they had wished to take over the responsibility at that critical time; moreover it was not in accordance with the existing line of Czechoslovak policy that an essentially Socialist Government should be replaced suddenly by one of a Bourgeois character at a time when Socialism was passing through a crisis.

Recourse was therefore had to an extraordinary means, that of a non-parliamentary Government: the President nominated to the post of Premier Dr. Černý, the head of the Moravian territorial administration, whilst the other portfolios — except that of the Ministry of Foreign Affairs — were taken by high officials and by experts (15. IX. 1920). Until there was a clearing up of the home political conditions this Cabinet of Officials had to carry on urgent State business according to the programme of the last Government. In Parliament all the Czech parties supported the new Government by providing it with the necessary majority which included also a considerable section of the Social Democrats. The intermediary between the Government and the political parties was a Committee of Five consisting of the leaders of

the Czech Constitutional parties (Social Democrats, National Socialists, National Democrats, Agrarians and Clericals). This Committee undertook the task of reconciling the various party interests in accordance with the needs of the State; moreover it remained the leading organ of parliamentary life also during the period of office of the succeeding Cabinets. In the course of time the Committee of Five considerably outgrew the role of a mere parliamentary intermediary, and became the leading political organ. Hence it gave cause to sharp criticism on the part of the oppositional parties which rightly observed in the fact of its existence the weaknesses of Constitutional and parliamentary life in the Republic generally.

The final split in the Social Democrat party took place at the beginning of the term of office of the Cabinet of Officials. The struggle between the two fractions for the party funds was accompanied by the proclamation of a general strike and by an attempt of pro-Communist workers to seize the State power (December 1920). In about three days this attempt and the strike completely failed. The cause of the failure was due partly to the weakness of the revolutionary movement among the workers and to the incapacity of the revolutionary leaders and partly to the increased strength of the State authority which was now sufficiently strong to protect energetically the new juridical order and to resist successfully the revol-

utionary methods of political struggle in Czechoslovakia.

The rapid liquidation of the attempt to make a *coup d'état* constituted to a certain extent a landmark in the development of internal policy and an end of the unrest which up to that time had been the bane of party politics in the Republic. Czechoslovak Social Democracy retained after the split a large section of the older trained workers and the cadres of the trade unions and political organizations; again in possession of a united programme, the party was capable with these adherents of taking a positive part in the State administration and of undertaking further organizing work for the recovery of the lost positions among the mass of the workers. On the other hand the Communist fraction had seceded from the party in the autumn of 1920 as the independent Left of Social Democracy, and it was not until after some months of skilful manoeuvring amongst the proletarian masses that it finally proclaimed its adherence to Moscow (in the spring of 1921) as the Czech section of the Czechoslovak Communist party; in the autumn of 1921 the German section amalgamated with the Czech section. Thus was formed in Czechoslovakia a united Communist party which now combined all the nationalities. According to its programme it supported the cause of the Third International, but ideologically and materially it was independent of Moscow. The

split in the ranks of the Socialists was complete; it manifested itself not only in the political organizations but also in the remaining undertakings. Masses of workers together with 27 Deputies and 7 Senators went over to the Communist camp. The Socialist movement in the Republic was weakened, however, still further by the loss of political power, for the Communists adopted an extremely negative standpoint not only in Parliament but also towards Social Democracy. The decline in the political importance of Socialism manifested itself in the reduced tempo of the realization of the social reforms which had been in the programme of the national revolution and of the first Governments.

The Cabinet of Officials set before itself more modest aims. It tightened the State authority and introduced strict order into all branches of the State administration. There still remained much to be done in this direction and two years of work under unfavourable circumstances in a disturbed period did not make good that which had been destroyed by four years of devastating warfare. It was a question above all of the State finances and of the partial liquidation of the State system of economic control which was connected therewith. It was still impossible to reckon on a radical reduction of the State expenditure, for money had still to be paid for the establishment of the Republic or for adjusting the post-War inequalities

(the salaries of the State employees); a balancing of the State budget necessitated, therefore, a large increase in taxation. The parties of the parliamentary majority gave only half-hearted support to the Government and showed some enthusiasm for its plans only if these related to something more than a mere keeping of the State machine in running order. Although the political parties had renounced the right to form a responsible Government in a period of confusion, they did not desire to allow the power of the bureaucracy to grow too strong and therefore they did not abandon the real power; moreover the Constitution required that to a considerable extent the actual power should reside with the organized political parties. The Government of Officials gave the political parties the opportunity to regroup their ranks behind the scenes and without the burdensome cares connected with the daily procedure of the State administration and to reconcile their party interests in accordance with the State needs through the agency of the Committee of Five. Hence, when after a year of energetic consolidation the Social Democrat party decided once more to take part in the Government, the Cabinet of Officials, its task accomplished, was replaced by a parliamentary régime.

The new Government (26. IX. 1921) was based on a national coalition which had been prepared by the co-operation of the Czechoslovak parties under the former régime. Dr. Beneš, who retained

his portfolio as Foreign Minister, was made Prime Minister. In addition to 5 Socialists, 3 Agrarians and 1 National Democrat, the new Cabinet contained 2 (later 3) Populists (Clericals). During the post-revolutionary period which was unfavourable to the Conservative elements, the Populists had occupied a position in the background and had maintained an attitude of circumspect opposition. By skilful tactics, however, they had gained a considerable measure of popular support, and in company with their Slovak friends they entered the first elected Parliament as a strong party with 33 seats. In addition to the parliamentary Ministers the Beneš Cabinet contained 2 officials (Home Affairs and Finance) who had been members of the preceding Government. This mixed system of government (partly of parliamentarians and partly of non-Deputies) was the idea of the President who considered that it was the most suitable for Czechoslovak conditions. The President desired the Government to be formed of experts and he carried this idea into effect more or less in the case of every Government. In this way many defects of parliamentarism were avoided, and certain important branches of the State administration were thereby directed with greater efficiency.

The Beneš Government had in Parliament 166 votes of the parties represented in the Government and in times of urgent necessity as many as

180, whilst the Opposition had 105 votes (78 votes of the national minorities and 27 Communist votes). Continuing the work of the preceding Government which undeniably had contributed to the strengthening of the juridical order, the Beneš Cabinet declared the Government programme to be the stabilization and consolidation of the State. The further building up of the State was to be accomplished in accordance with these watchwords and on the basis of Constitutional principles; all the reforms that had been started were to be carried out on the basis of these principles, and all the questions of State that still awaited settlement were to be duly dealt with. In future, economic and financial stabilization was to be the condition of social reforms. The revolutionary wave had everywhere receded, and after the heroic days of the beginnings of the Republic there set in the grey period of continuous hard work which was to safeguard the foundations of what had been started.

The repercussions of events abroad affected the work of the Beneš Government more than the previous administrations. A number of important international negotiations touched the interests of Czechoslovakia and demanded frequent visits of the Prime Minister abroad. At the very outset of the Beneš régime Czechoslovakia was disturbed by the attempt of the ex-Emperor Charles to bring about a restoration of the Habsbourg dynasty in

Hungary, and this attempt compelled the Republic to mobilize its armed forces. This extreme military measure was a clear manifestation of the determination of the Czechoslovak Government to nip in the bud any attempt that might threaten the newly-gained freedom of Czechoslovakia; at the same time the smooth course of the mobilization was a clear proof of the advanced stage of the consolidation of the State. The military organization inherited from the Habsburg Monarchy was very poor, but now there was an army which the Government could rely upon in cases of emergency. Three years of hard work had been spent on the military organization, and thanks to the efficient direction of the French Military Mission there had arisen from the ruins of the former Austro-Hungarian army, from the volunteer forces of Czechoslovak foreign legionaries, and from new recruits who belonged to the various nationalities, a united and highly-trained Czechoslovak army. The unification of these different military elements was not the only problem that the army administration authorities had to deal with. There were more serious and fundamental difficulties. These lay partly in the anti-militarist mood of the Czechoslovak people, a mood which was deliberately fostered by reaction to the militarism of the former Monarchy. After the national revolution this mood was not so strong, as can be seen from the demand for a militia and the watchword of a



Andrej Hlinka,
Leader of the Slovak People's (Catholic) Party.

democratic army. However, just as during the War the Czech anti-militarists took up arms and formed military bodies noted for their discipline under the most difficult circumstances, so also in the new State it was possible to create an army composed of citizens of all the nationalities of Czechoslovakia (Defence Act of March, 1920). The democratic traditions of the Czechoslovak legionaries did not disappear entirely from the Czechoslovak army, for the Commander-in-Chief was President Masaryk and thanks to his wise leadership everything was preserved that was good in the celebrated volunteer armies and that was compatible with strict military duty. The successful mobilization of the autumn of 1921 was a political asset, for it showed to doubters and enemies at home and abroad that the young Republic possessed the determination and power to maintain the new order in the heart of Europe.

The trouble abroad was not the only difficulty which the Beneš Government had to face. The critical economic situation and the high cost of living called forth great social struggles, such as the general strike of the miners in February 1922 and the strike of the metal-workers two months later, and introduced unrest into the political conditions. The economic factor was not characteristic only for the period when the Beneš Cabinet was in office; it began to be strongly felt during the period of the Government of Officials.

When in the autumn of 1922 (7. X.) the Beneš Cabinet, after a year of office, was succeeded by the Švehla Government, no great changes were made in the governmental system; the national coalition again formed the support of the Government in Parliament. In the new Cabinet only a few changes were made (there were now 4 Agrarian Ministers, 7 Socialists, 2 Populists and 2 National Democrats). The Government as a whole was more representative from the political point of view, for it now included leading politicians who a year before were still unwilling to assume full responsibility for the administration of the State. Dr. Rašín again became Cabinet Minister in order to take charge of the State finances at an important stage in the development of the Czechoslovak currency. He was not destined, however, to see the fruit of his labours, for he died at the beginning of the following year (18. II. 1923) from injuries received in consequence of a revolver attack made on his life by a young Communist.

The position of the Švehla Government in Parliament was substantially the same as that of the preceding Cabinet: the coalition of the Czechoslovak national parties was opposed by all the national minorities with the Germans at their head, by the Communists and the Slovak Populists (12 members). During the period of the Beneš Cabinet the Slovak Clericals had seceded from the common Clerical Club and from the Government Coa-

lition in consequence of the non-fulfilment of their request that Catholic grammar schools should be established in Slovakia. The new Government continued the preceding Government's programme both in its main lines and also as regards its concrete tasks: the safeguarding of the peaceful development of home affairs and the consolidation of the democratic juridical order.

Throughout the whole period of the Coalition Governments peaceful development and the juridical order depended more than at any other time on the successful solution of economic and financial questions; and these came to the forefront of the State life. The whole of Central Europe was dominated by the catastrophic currency conditions which threatened to overwhelm also Czechoslovakia which up to that time had been spared this misfortune.

The starting-point of the development of the Czechoslovak valuta had been — as is well-known — not a covered currency as was the case in the old European States, but the depreciated Austrian crown which Czechoslovakia took over from the former Monarchy. Rašín carried out the currency separation and established at the Ministry of Finance the Banking Office as the administrative centre for all matters connected with the currency; the Banking office was to carry out according to law all the functions of a central bank of issue and to pass into circulation new banknotes only when

they possessed full commercial cover. In Czechoslovakia no State notes were ever issued to cover budgetary deficits, although in the first years the Czechoslovak budget showed a deficit; this deficit was always covered by internal or external loans. These legal measures were not sufficient of course, in themselves to enable the Czechoslovak exchange, which was independent within the Republic, to have an independent existence abroad. From the beginning the Czechoslovak crown had been in immediate connection with the German Mark. In spite of Czechoslovakia's political friendship with the West, the economic connection could not be brought about all at once; economic life continued further along its natural path. Czechoslovakia found herself within the sphere of the economic influences of Germany and Austria who extended their commercial relations with Czechoslovakia and in a considerable measure became the intermediaries in the commercial relations of the Republic with other States; the exports to the other countries passed mostly through Hamburg and Vienna. Moreover Czechoslovakia was a young State and consequently was not very well known abroad; foreign financial and commercial circles were not yet acquainted with the economic resources of Czechoslovakia and in renewing their pre-War connections they turned to the old addresses, i. e., Vienna and Berlin. Foreign countries were not yet in a posi-

tion to estimate the importance of the Czechoslovak currency reform. The result of all this was that up to November 1921 the Czechoslovak exchange went through all the fluctuations of the German Mark and the Austrian crown.

The foreign exchange of the new Czechoslovak monetary unit fell as in the States which border on Czechoslovakia and which carried out an inflation; in the winter of 1919—20 it declined from 25 to 5 Swiss centimes. The decline of the currency brought the public finances to a condition of crisis, and it was necessary at all costs to introduce order. The declining exchange made it possible, however, for Czechoslovak industry to compete on the foreign markets; it stimulated exports and brought about the great boom of 1921. The trade balance and the balance of payments at once became favourable and the State finances were brought into a condition of equilibrium. In consequence of this the currency recovered somewhat and the commercial connections became more independent; Czechoslovakia began to enter into direct trading relations with the Western European and overseas markets.

The Czechoslovak crown now ceased to be connected with the German Mark, the fall of which began in May 1921 and in September became catastrophic; the Czechoslovak exchange was now independent. The mobilization of the Czechoslovak army which was carried out on the occasion

of the autumn attempt of the ex-Emperor Charles to effect a Habsburg restoration in Hungary caused one last shock to the Czechoslovak exchange: the Czechoslovak crown fell to 5·10 Swiss centimes and became an object of speculation. However the smooth carrying out of the mobilization provided a proof of the healthy condition of the Republic and foreign countries at last realized that Czechoslovakia was a State with a favourable trade balance.

The following period (from November 1921 to the second quarter of 1923) was characterized by the rapid recovery of the Czechoslovak crown. The favourable balance of trade and payments was increased by the flight of capital from the neighbouring countries, where the currency had entirely collapsed, to the Czechoslovak crown and by foreign credits (the English State loan in May 1922 and the Prague municipal loan). The Czechoslovak crown rose for a time to over 19 Swiss centimes and became stabilized at about the level of 16 centimes. In consequence of the sharp rise of the crown there started, of course, a serious economic crisis. Czechoslovakia became one of the States which could not compete with the countries that had a depreciated valuta, and the increased buying power of the Czechoslovak crown necessarily affected the industrial situation. It seemed that the foreign trade would become entirely stagnant, but fortunately this did not occur and

the year 1922 showed a great surplus (5390 millions of Czechoslovak crowns).

The commercial crisis in Czechoslovakia led to a sharp increase in unemployment. In contrast with the neighbouring countries Czechoslovakia had not suffered up to that time from any extraordinary degree of unemployment. After the beginning of 1921 the number of unemployed had remained fixed at about 100.000 and in the second half of the year it had fallen to between 60.000 and 70.000. In January 1922, however, the number of unemployed increased with the rise of the valuta and in January 1923 reached its maximum, 441.000 (out of a total number of 1,865.000 workers engaged in industry, trade and transport). After that time there began a gradual decrease in the number of unemployed and this decrease continued in proportion as the industrial crisis caused by the increased buying power of the Czechoslovak crown was liquidated.

The crisis in production brought about in 1922 also a financial crisis, as a result of which there began a series of failures (including those of several large banks) which again led to a crisis in a number of other credit institutions. This caused a lack of confidence in joint-stock banks generally and the entire economic life entered a phase of crisis; industry lost about one and a half milliards of capital, and in addition an immense part of the ca-

pital invested in industry produced no dividends during a period of two years.

The banking crisis was accompanied by a crisis in the public finances. The sources of the State revenues weakened, for the biggest taxes fell automatically with the prices and the coming of the economic crisis, whilst the State expenditure was increased by the outlay on unemployment relief (over half a milliard annually), and the State Budget — up to and including the year 1925 — showed a considerable deficit. The deficits increased the floating State debt by several milliards to a dangerous figure, and in 1925 it was necessary, with a view to its consolidation, to seek help in an American loan. A similar crisis was experienced also in the finances of local self-government. The difficulties of the financial administration were great.

Not only the Finance Minister but also the entire Government followed attentively the movement of the exchange of the Czechoslovak crown at Zürich and later at New York; much depended upon it in the Republic. The Government felt its responsibility for the economic condition of the country and resolutely battled with all these difficulties and results of the deflation period; by legislation and administrative measures it accommodated the public finances to the changed situation. The reduction of the budget — by three milliards in 1924 from the 19 milliards in 1923 — the adjustment



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Minister of Public Works in the present Cabinet.*

of the salaries of the State employees, the support of the banking system, a reduction in taxation and all possible reliefs in other directions occupied the full attention of the Government.

Nevertheless the Švehla Government found in the midst of all these economic cares sufficient energy to prepare the way for the future development of social conditions in the Republic. For years past the workers had placed many hopes in social insurance and since the time of the Cabinet of Officials efforts had been made to prepare a parliamentary bill for this purpose. The coalition led by Švehla has the merit of having completed this great social reform after many compromises amongst the Socialist parties and the representatives of the manufacturing classes; in 1924 Parliament passed an Act for the social insurance of the workers (for sickness, disability and old age) and in the following year it passed a law for the disability and old age insurance of persons engaged in independent occupations. Irrespective of the financial effects which will reveal themselves later, the importance of this legislation is evident from the fact that the two laws affect 7,500,000 persons, if all the family members are included.

Having surmounted the serious economic crisis, the Švehla Government lived to see quieter times; the first Švehla Ministry is connected with the stabilization of the Czechoslovak currency. After

four years of great fluctuation the Czechoslovak crown was stabilized, and since the spring of 1923 it has remained within the limits permissible for currencies on a gold basis (100 Kč = 2'90-3'03 dollars). The Republic at last enjoyed the advantages of a firm financial system, and economic life was able to develop under favourable and stabilized currency conditions. The Government was now in a position to think of instituting a bank of issue on the basis of the Czechoslovak crown. The National Bank was opened in the spring of 1926, but the legal basis and the stabilization of the currency were realized in the period of the first Švehla Ministry.

Thus was completed the characteristic development of the Czechoslovak currency policy which after long and energetic work brought Czechoslovakia, which was surrounded by countries with a catastrophic inflation, to the possession of a stable monetary unity. Rašín and, after him, all the responsible leaders in Czechoslovak financial policy — whether a Socialist or a Coalition Government were in office — worked for the stabilization of the currency with methods different from those employed in Germany, Austria, Poland and Russia where the stabilization of the exchange was preceded by the ruining of entire classes of the population. Although a convinced opponent of Socialist principles, Rašín required, by this radical reform, the well-to-do classes to give up a part

of their property for the benefit of the State in order to escape the threatened economic catastrophe; from the outset the State had imposed heavy burdens on its citizens in the form of capital levy but otherwise had preserved for them the rest of their property and had not weakened their position materially or in any other way.

Owing to its long period of office and firm leadership, the Švehla Government was able to deal with all difficulties. Švehla was no longer merely the leader of the Agrarian party; during this period he had become the leader of the entire Coalition. The strength of this Prime Minister lay, of course, above all in the strength of the Agrarian party, but he knew how to direct the party in such a way that it outgrew the framework of mere party interests.

Naturally the Agrarian party and its representatives in the Government paid attention chiefly to the interests of agriculture; despite the advanced industrialization of the Republic the farmers formed a powerful class, for 39—40% of the population were engaged in agriculture (in the different parts of the country, of course, this percentage varied: 30% in Bohemia, 60% in Slovakia, etc.). Agriculture obtained systematic support from the State, and at the same time much has been done by the agricultural co-operative societies; throughout the whole period of the existence of the Republic the resources of the State and of the agri-

cultural co-operative societies have been the intensification of vegetable and animal production in order that the State may attain its final purpose, that is, self-sufficiency in the feeding of the home population. Hence the improvement of the economic position of the agricultural class in the Republic has been great and unassisted.

This improvement has been assisted in an extraordinary degree by the Land Reform which in its first decade has been nearly completed in the rural lands. The results of the Land Reform bear witness to the increase of agricultural production. During this period a total of 1,246,000 acres, including 752,000 hectares of agricultural land have passed into new hands; of the rural land over 500 000 hectares have been divided into small holdings.

Švehla knew how to turn to political advantage the increased strength of the agricultural class and thereby raised its importance for the benefit of the entire State. Numerically the Agrarian party, even in combination with the other Agrarians, was not the strongest force in the first elected National Assembly, but under the leadership of Švehla it represented a group which was always ready to accept the conditions of the post-revolutionary period this was a virtue; Švehla regarded the spirit of compromise as something in the nature of a sin and

party into every coalition. Thus the Agrarian party gradually became the centre around which the other Czechoslovak parties grouped themselves in order to form the Government Coalitions. The special character of the party, its consolidation and true conservatism, predestined it for this task, but in order that the heterogeneous group of parties forming the Government Coalition might be held together in the Government there was need also for the skill of Švehla who had a unique gift for reconciling opposing views. It was not always easy to make the interests of so many parties converge into the common interests of the State, and that this was accomplished on the whole with so much success is due in the main to the merits of the leader of the Agrarian party. Thus in addition to the authority of the President there grew also the authority of Švehla as a statesman, and his influence has steadily been recognized more and more by all parties.

At last, however, after three years his remarkable skill in negotiation failed and the Coalition broke up before the expiry of the electoral period. The long association in the Government of very heterogeneous parties and the constant policy of compromise or postponement of disputed questions called forth tension and discontent particularly in the ranks of the parties which were accused by their radical members or competitors of excessive compliance. After 1924 one of these disputed ques-

cultural co-operative societies have been used for the intensification of vegetable and animal production in order that the State may achieve its final purpose, that is, self-sufficiency in the feeding of the home population. Hence the improvement of the economic position of the agricultural class in the Republic has been great and many-sided.

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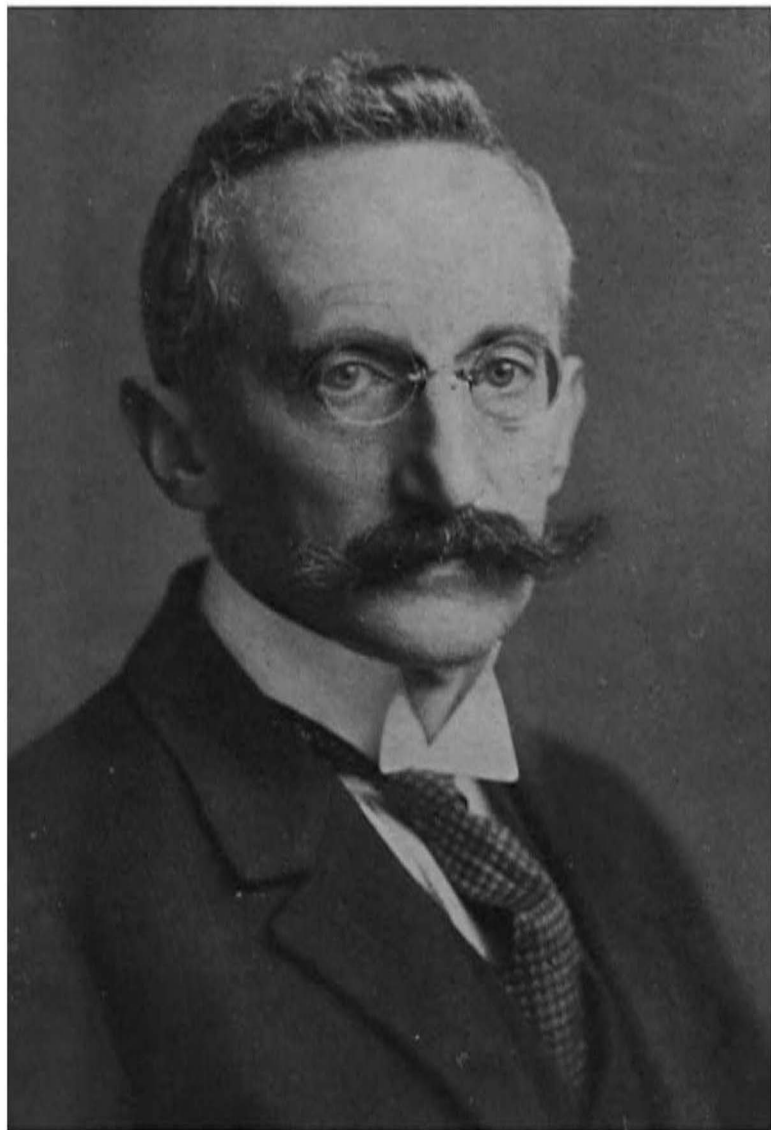
tions was that of the duties on agricultural produce. Here were sharply opposed the interests of the Agrarian and Social Democrat parties, the latter defending the standpoint of the consumers. At first the negotiations on this problem of Customs protection were postponed to a later date, but when in the following year (1925) the proposed agricultural duties were again brought before Parliament by the Agrarians, an expedient was found in the shape of an introduction of a sliding scale of duties, and this only as an administrative measure (in June 1925). This compromise indeed held the Coalition parties together for a time, but the dissatisfied Social Democrats began to insist that the question should be submitted to the electorate. It was already evident, however, that the question of the agricultural duties was weakening the national bond in the Coalition and was creating solidarity of interests between the Czech and the German agriculturists.

The political atmosphere, already strained by these disputes, was embittered still further when on the commemoration day of Jan Hus (John Huss) the Papal Nuncio left Prague by way of protest against the celebrations in which the Government headed by the President participated. Through this act the Vatican offended deeply the feelings of the Czechoslovak people, which connects the name of the reformer Hus with the most famous period in Czechoslovak history (the Hus-

site movement). Hence there was a burst of anti-Clerical agitation and demands were made for the separation of the Church from the State, but no positive results were achieved.

The Church and religious conditions in the Republic conditions were considerably complicated. In the Czech lands during the first years after the national revolution there was an important religious movement which manifested itself in the establishment of a new Church (the Czechoslovak Church); there was further an anti-Church movement which led to a mass secession from the Roman Catholic Church. Before the War the Roman Catholic Church occupied in Austria a privileged position; its strength lay in the dynasty and the powerful aristocracy and it was the main support of the dynastic idea. After the national revolution of October 1918 the Roman Catholic Church lost in the historical lands nearly 1,300,000 members, but this great secession took place almost entirely amongst the Czech population, the Germans remaining true to Catholicism. In the eastern portion of the Republic the conditions are quite different. Amongst the population of Slovakia the Roman Catholic Church has relatively a smaller number of members than amongst the population of the historical lands (counting the entire population irrespective of differences of nationality; as far as the Czechs and the Slovaks alone are concerned, there is, of course, a larger percentage of Catho-

lics among the Slovaks than among the Czechs). But the Slovak Catholic party is aggressive and extremely irreconcilable, so that in comparison with it the Clericals in the Czech lands appear very lukewarm and ready for compromise in respect of Church and religious matters. In Slovakia, in an environment that is mostly rural, life is more patriarchal and the devout common folk regard their priests as their leaders; moreover in Slovakia there was an increase in the number of Roman Catholics. On the other hand, in the Czech lands, which are mostly industrialized, anti-Clerical watchwords were heard with ever-increasing insistence and they were made real by reason of the celebrated historical memories. In spite, however, of the prevalence of the anti-Rome feeling, at least in the western portion of the Republic, no important attempt has been made since the national revolution to adjust the relations between Church and State by legislative means. President Masaryk used to recommend the separation of the Church from the State in order that the Church, being independent of the State, might serve better and more spiritually the religious needs of its members; he wished, however, that this should be effected without a struggle between the State and the Vatican. The parties which included in their programme the separation of Church and State satisfied themselves with a mere political agitation and in no way prepared any serious plans for a settle-



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Minister of Justice in the present Cabinet.*

ment of this involved question. The Clerical parties, which were on the defensive during the first years after the national revolution, postponed the whole question to a time that was more convenient for them, and when they had consolidated their positions they opposed separation, regarding the given state of affairs as sufficiently favourable for the Roman Catholic Church. Considerations of Slovakia, the disturbed conditions of which might have been seriously worsened by these burning questions, and of course other problems of State prevented the question of separation from being definitely brought forward by any Government. Moreover the State delayed long before it recognized the new Czechoslovak Church, although the non-settlement of the problem was only a source of difficulties for the Government. Thus the only result of the policy of the young Republic in this field has been the partial secularization of the schools, the reform of the marriage laws, the regulation of the holidays and a few other details.

The departure of the Papal Nuncio in the year 1925 did not give rise to action in favour of a separation of the Church from the State. In reply to the demonstration by the Curia the Czechoslovak Government declared that it defended the sovereignty of the State in questions of internal policy and at the same time it recalled the Czechoslovak representative from the Vatican. The Cle-

rical party did not feel itself obliged to follow the example of the Papal Nuncio, and remained in the Government; the conflict itself, having arisen from an internal political cause, was transferred to the sphere of diplomatic negotiations. Meanwhile, however, a long interval ensued in the relations between Czechoslovakia and the Vatican.

Before the National Assembly was dissolved (on October 16th) the State budget, which for the first time showed a surplus, was passed in the autumn of 1925.

The general election (15. XI. 1925) was to decide the new Government policy, but it was clear beforehand that in the new Parliament, elected in accordance with the principle of proportional representation, no party would be strong enough, either alone or in combination with a group possessing a similar programme, to form a Government. The new Parliament consisted of the representatives of 16 parties, and the coalition system again proved necessary.

The elections resulted, of course, in a considerable change in the distribution of forces as between the Socialist and the non-Socialist parties. After the stormy post-War period when radical changes were the watchwords of the day, there ensued a period when a breathing space was felt desirable before further needful reforms were attempted. In this respect the Czechoslovak elector was no different from any other European citizen

who went at that time to the ballot box. The Bourgeois parties in the Republic now obtained (1925) 60.56% of the votes and the Socialist parties 39.44%. The loss of the political influence of the Socialists in Parliament was the greater in that the Communists (41 Deputies and 20 Senators) now formed the largest Socialist party and held an absolutely negative attitude; a united front of the Socialists with the Communists in Parliament was impossible. The split which began in 1920 manifested itself in part only now, for the Czechoslovak Social Democrats, the strongest party in the preceding Parliament, were reduced to 29 Deputies and 14 Senators; the seats they lost were gained mainly by the Communists who obtained the votes of all the discontented elements and of those workers who persisted in their old radical oppositional mood. The strongest party in the National Assembly was now the Czechoslovak Agrarians who had gained a considerable number of seats (45 Deputies and 23 Senators). In comparison with the first elections substantial gains were secured also by the Czech Clericals (31 Deputies and 16 Senators) and by the Slovak Clericals, Hlinka's party (23 Deputies and 12 Senators).

On Švehla, now the leader of the largest political group in Parliament, devolved the task of forming the new Government. Owing to the fact, however, that the previous Coalition had obtained in

the elections only 146 seats out of 300 and another combination did not at that time appear feasible, the Trader's party (13 Deputies and 6 Senators) which had grown in the elections at the expense of other Bourgeois parties, was added to the existing Czechoslovak Constitutional parties; moreover the opposition of the Traders' party in the old Parliament had been more or less of a formal character. Thus was formed the new majority of the Czechoslovak parties (160 Deputies and 80 Senators), from which the new Government was made (9. XII. 1925).

In the second Švehla Ministry there was naturally a predominance of the Bourgeois parties that had won in the elections against the Socialists (9 against the 5, later 6, i. e., 4 Agrarians, 3 Clericals, 1 National Democrat and 1 Trader). In addition to the parliamentary Ministers (15), the Švehla Cabinet contained two experts, one of whom, Professor Engliš, a prominent economist, was again enabled to give his very valuable services to the State finances.

In the programme of the new Government stress was laid on the continuity of political work with that which had been accomplished by the preceding Governments; this continuity was represented also by the number of Ministers who had passed from the preceding Cabinet into the new Government. To continue the old programme, however, became more difficult in consequence of the con-

siderable changes in the distribution of forces in the Coalition parties. Yet the relation of the Opposition to the Government, at least of some of its elements (the Slovak Clericals), was less marked than in the previous Parliament.

The greatest obstacle to the co-operation of the Coalition consisted in the renewed efforts of the Agrarians to increase the Customs protection for agricultural produce. The previous year's compromise in the form of a sliding scale of agricultural duties did not satisfy the farmers who considered that the sole satisfactory relief in the difficult situation of home agriculture lay in the introduction of fixed duties. The Socialist parties were unable to agree to the fulfilment of this demand for agricultural duties, and when Švehla relinquished the chairmanship of the Council of Ministers on account of illness, the Socialists withdrew from the Coalition Cabinet and brought about the resignation of the Government (17. III. 1926).

Owing to the fact that the Czech parties which remained after the withdrawal of the Socialists did not form a majority in Parliament and other parties were so far unwilling to enter the Government, recourse was had to a means that was not entirely new in Czechoslovak Constitutional life, namely, the appointment of a Cabinet of Officials, the members of which were taken—apart from the Foreign Minister, Dr. Beneš, who held a seat

in Parliament as Deputy—from the ranks of the State administration. The position of Prime Minister was occupied (19. III.) by Černý who in 1920-21, in a similar parliamentary crisis of the Czech Coalition parties, had been at the head of a Cabinet of Officials; the two most important portfolios, those of Foreign Affairs and Finance, remained in the hands of members of the last Švehla Government.

The withdrawal of the Socialists from the Government did not bring about on this occasion as great a crisis as that which occurred five years previously. Conditions in the State had become consolidated, so that the control of State affairs was not restricted to the narrow basis of a single Coalition. The elections had shown the possibility of new Government combinations. Seven years of common experiences had convinced a great section of the national minorities included in the Opposition that the views regarding a speedy fall of the Czechoslovak Republic were incorrect; the development of post-War conditions in Europe had disabused them of that error. Comparatively very early there had arisen in the German camp a struggle between the extremist wing which proclaimed irredentism as a national duty and the moderate wing which emphasized the necessity for practical work and piecemeal successes and aimed at the effective use of the rights of the German minority. At the centre of the German moderate

political movement was the Farmers' League (Bund der Landwirte) which cooperated with the German Traders' associations; the moderate wing of the German Christian Social party also gained the upperhand. The German Social Democrats were rather behindhand in this development, and the attempts made by the Czechs to win them over to more positive co-operation met with failure; the German Social Democrats remained under the influence of an outworn ideology and were not able to adopt the new constructive Socialist policy as quickly as the Czechoslovak Social Democrats. Before the elections of 1925 the German activists and negativists were already clearly separated. It was a characteristic fact that Dr. Lodgman, the leader of the German resistance in Bohemia in 1919 and later the apostle of irreconcilability, was not returned in 1925.

Also the Slovak Clericals under the leadership of Deputy Hlinka were already tired of the policy of opposition which they had pursued since the time of the Beneš Government. They had been agitating for Slovak autonomy and had turned sharply against the Czechs whom they accused of endeavouring to maintain a régime of centralization. This policy of the Slovak Clericals was based more on temperament than on a definite programme; the influence of their Magyar environment, which is quite different from the Czech, was still felt, and elements which were

dangerously irredentist and anti-State often made political capital from the opposition of the Slovak Clericals. The latter, however, had derived no benefit from their policy which was valueless from the point of view of the very necessary economic improvement of the country and from the standpoint of national development. The ground for the new Government Coalition was already prepared.

The Černý Cabinet was aware of its provisional character and hence restricted its efforts to the careful direction of the State administration and to the settlement of questions of immediate necessity. Unable to rely upon a safe majority, the Government lacked initiative also in the field of legislation. After the Czechoslovak Socialist parties had joined the Opposition, a new parliamentary majority was formed on the initiative of the Czechoslovak Agrarians for the introduction of fixed agricultural duties and for the adjustment of the stipends of the Roman Catholic clergy, partly on an economic basis; this majority consisted not only of all the non-Socialist and more or less Conservative, Czech parties and the Slovak Clericals, the most Conservative party in the Czechoslovak Parliament, but also the German and Magyar Agrarians in company with the German Traders (24, 12) and the German Christian Social party (13, 7). Despite very sharp opposition which even approached obstruction, this

Bourgeois Conservative Agrarian and Clerical majority passed the agricultural duties and the adjustment of the stipends of the clergy in the summer session.

Just as the break up of the Red-Green Coalition, the external expression of the Socialist split, caused a shock to the political life in the Republic, so also the disintegration of the National Coalition in the year 1926 was accompanied by several features that pointed to a crisis of political thought. The elections of 1925 brought a defeat of the nationalist parties in the Czech and German camps. Amongst the Czechs this electoral failure showed itself in the form of a Fascist reaction in the Bourgeois classes and also in the intelligentsia. Up to that time the Fascist movement in Czechoslovakia was quite insignificant, if it is possible to describe as a movement the noisy repetition of nationalist and anti-democratic watchwords by small groups of people possessing no importance from the political point of view. In the period of the second Cabinet of Officials the Fascists attempted by extremely nationalistic demagoguery to win over the masses; these endeavours acquired some importance mainly in consequence of a certain amount of favour shown towards Fascism by certain of the Czech Bourgeois parties. The clumsy Fascist campaign was directed against the Castle, i. e., against the President of the Republic and the Minister of Foreign Affairs who were rightly re-

garded as the chief representatives of the idea of Czechoslovak democracy. The struggle was embittered by reason of the Gajda incident. General Gajda was Deputy-Chief of the General Staff and had formerly been Commander of the Czechoslovak and then of the Kolchak forces in Siberia, and when as a result of very serious charges brought against him he was placed on the retired list and later deprived of his rank, the Fascist movement found in him a leader who was as incapable as all the rest. The independent organization of Fascism was effected, of course, at the expense of those parties which supported it without sufficient circumspection and wished to make use of it in their struggle against Dr. Beneš and the President.

A pacification of the disturbed political conditions among the Czechs was brought about by the former Prime Minister, Švehla, who in the autumn returned from abroad restored to health and began to negotiate for the formation of a new parliamentary Government. Owing to his well-proved skill he soon succeeded in securing the results of what had been organically prepared in the summer session of Parliament; from a combination of parties which voted in common for Government bills that satisfied their party interests, he created a firm majority which was willing to take over the responsibility of government. The new Švehla Ministry (12. X. 1926) did not comprise

all the parties which in the summer had acted in common in Parliament but it had the guaranteed support of the political groups which had not decided, immediately on the formation of the Government, to send their representatives to the Cabinet (the National Democrats and the Slovak Clericals). The most characteristic feature of this Government is the active participation in it of two German parties (the Agrarian party and the Christian Social party) which hold the greater part of the German mandates in Czechoslovakia and belonged to the Government majority in Parliament in the summer; the Agrarian, Spina, was made Minister of Public Works, whilst Mayr-Harting (Christian Social party) obtained the portfolio of Justice. The German national minority accepted the entry of its politicians into the Czechoslovak Government quietly and with understanding; the elections were fought out on the German side under the influence of the watchword of activism, and at the time of Locarno and the entry of Germany into the League of Nations, the argument could no longer be brought forward that Czechoslovakia acted as a gendarme of France against Germany. The participation of the Germans in the Czechoslovak Government was rightly regarded abroad as a sign of the continuing consolidation of the State.

The disintegration of the National Coalition facilitated, therefore, the winning over of the Ger-

man minority to active work in the State, an event which President Masaryk had unceasingly declared for years past to be absolutely essential from the point of view of Czechoslovak interests. Under the new coalition a change was effected in the relations between the Opposition and the Government; the irreconcilable and entirely negative opposition of the Communists and German Nationalists was now replaced by a normal parliamentary Opposition of the Czechoslovak Socialist parties which is ready, when necessary, to undertake the responsibility for the administration of the State.

The abstinence of the Socialist parties gave the third Švehla Ministry the character of a Bourgeois Conservative Government. After the secession of seven Deputies (three Germans and four Magyars) from the German Agrarians' Club, the Government majority in Parliament dropped at the end of the year 1927 to 155 Deputies. Of the two parties which had supported the State since its formation, although they had not been represented in the Ministerial Council, the Slovak (Hlinka) Clerical party decided at the beginning of 1927 (15. I) after lengthy negotiations to send two representatives to the Cabinet. The entry into the Government of the Slovak Clerical Deputies who with the parties of the national minorities had hitherto represented the most decided opposition in the Czechoslovak Parliament, and the participation in the Cabinet of the two biggest German

parties signified the greatest asset of the Švehla Ministry. This adhesion of the Hlinka autonomists to the Government led to the disillusionment of the Magyar irredentists in Slovakia (they were now reduced to impotence) and brought about the general pacification of public affairs in Slovakia.

With the entry of the Slovak Clericals into the Government was connected the change in the reform of the public administration which became law in 1927. This new adjustment of the public administration entered into operation in Slovakia on August 1st, 1928; the local self-government (*župa*) system, which had become law in 1920 but had not been carried into effect except in Slovakia, was abandoned and a partial return was made to the territorial administration obtaining in the historical lands. Thus the territorial administrative regions (Bohemia, Moravia with Silesia, Slovakia and Carpathian Ruthenia) were re-introduced with their respective administrative bodies, that for Slovakia being, of course, a new institution. The administrative principles which had been adopted by law in the original self-government organization were maintained, but the bureaucratic influence made itself felt to a somewhat greater extent. This administrative regionalism was an endeavour to liquidate in some measure the Slovak autonomist efforts as represented by the Hlinka party. The difficulties for the Czechoslovak State of the Slovak question arose to a certain degree

from the unequal development of the eastern and western parts of the Republic. In the past these two regions had not had common experiences, and consequently they had not been able to follow a common national ideal; Czechoslovak unity was the aim of the leaders rather than the conscious desire of the masses. In the first years of the existence of the Republic attempts were made to carry out this unification on centralist lines, but there was no firm direction in this policy and the desired results were not obtained. Now, however, under the new administrative organization, an opportunity was afforded for Slovakia, on the basis of partial territorial autonomy, to become conscious of a greater degree of responsibility in public affairs and to develop further in the direction of a higher Czechoslovak unity such as had been reached by the other territorial units inhabited by the Czechoslovak nation.

During the period of the third Švehla Ministry there took place the re-election of the President, whose term of office expired in 1927. No candidate, apart from a Communist, was brought forward to contest the re-election of President Masaryk, although the open struggle of the President against Czechoslovak Fascism had created some discontent amongst certain political groups, a fact which was manifested when the votes of some of

the Coalition parties were being recorded. The existing President was re-elected by a three-fifths majority (274 votes out of 432); of the Government parties the Slovak Clericals and the National Democrats did not vote for him, but all the Socialists, even although they were in the Opposition, supported him with their votes. The Communist candidate secured 54 votes; the other opponent (if the word may be used), Fascism, was already powerless. Masaryk remained the Head of the Czechoslovak State. His third election was received at home and abroad as a guarantee that Czechoslovakia was to be guided by the same spirit as before.

The new Government considered that its duty lay in continuing the preceding policy of consolidation and also in amending some of the older laws that no longer conformed with the views of the Conservative Government. In the economic field it gathered the results of the diligent work of the preceding years. In particular the State finances showed some remarkable improvements. Such were the taxation reform which unified and reduced the direct taxes, the diminished, stabilized and favourable State budget for the year 1929 (a revenue of 9,562,000,000 Czechoslovak crowns and an expenditure of 9,536,000,000 crowns), the paying off, consolidation and conversion of the State Debt, and the appreciation of Government

stock, etc. During the last few years the general position of Czechoslovak economic life has been continuously favourable; in some branches of industry the amount of employment in 1927 and 1928 attained and even surpassed the pre-War level; the number of unemployed constantly declined (a minimum of 32,485 unemployed persons was reached in July, 1928), and the favourable balance of foreign trade showed an upward tendency. All this pointed to the sound economic foundations of the State and to the firm, purposeful leadership of financial policy which remained in the hand of Dr. Engliš.

The Švehla Government brought about the diplomatic settlement of the dispute with the Vatican regarding the Hus celebrations of 1925. At the beginning of 1928 diplomatic relations were re-established on the basis of the acceptance of the Czechoslovak standpoint and a *modus vivendi* was arrived at which laid down the principles for the settlement of certain questions of Church organization that are of great importance to Czechoslovakia, particularly in regard to Slovakia, such as, for example, the delimitation of the Church dioceses in accordance with the State frontiers, the appointing of Church dignitaries, and their oath of allegiance.

Otherwise, the home political situation was dominated by the struggle between the Governmen



*Monsignor Jan Šrámek,
Deputy-Premier in the present Government.*

parties and the Socialists over the question of the social insurance of the workers. The original aim of the Bourgeois Coalition to break up Socialism and abolish its burdens was very much modified under the pressure of the Opposition led by the Czechoslovak Social Democrat party, but the struggle over the drawing up of the social insurance bill created serious differences of opinion between the two camps which four years previously had acted in common in passing the Social Insurance Act. The fight grew sharper when the Prime Minister, M. Švehla, was obliged at the beginning of 1928 to withdraw from the conduct of affairs owing to serious illness; it seemed as if the principle of national and social equilibrium had slipped away from Czechoslovak political life. The aim of the Government bill was to cheapen the workers' insurance and also to weaken the influence of the Socialists. Owing to the fact, however, that there were material arguments against the original Government bill and the Government parties themselves were not united—they had in their ranks strong Labour organizations (the Czech and German Clericals)—the entire law in its final form was substantially altered in view of the stubborn opposition of the Socialists. Altogether it was no small success for the Opposition that the strength of its arguments prevailed over party prejudices. This is a method which always leads to success in

a true democracy, and it has helped Czechoslovakia to overcome all her internal difficulties since the birth of the Republic.

Ten years is a short time in the life of nations, but the past decade has been filled with as many difficulties as were generally spread over whole centuries. Czechoslovakia has virtually overcome all the difficulties which arose out of the post-War conditions and has laid firm foundations for further peaceful development. These are the foundations for energetic work in all branches of material and mental life and for all the creative forces of the nation which is responsible for the destinies of the State.

In effect, these creative forces have been employed to lay the foundations, and the Republic, during the first ten years of its existence, has done nothing beyond meet the requirements of its initial stages. And yet the work accomplished by Czechoslovakia is eminently instructive. She has provided a new proof of the fact that democracy is capable of overcoming even the greatest difficulties if it possesses leaders who have a clear aim and consciously work for it. She has suffered from all the defects of democracy which were aggravated by the fact that the young Republic had no traditions. Nevertheless she has proceeded from chaos to order, she has organized a freer life, and has thus contributed according to her strength to

the safeguarding of the world's peace. At the same time Czechoslovakia has remained faithful to the principles of democracy, avoided the temptations of dictatorship, and overcome the dangers of Communism and Fascism. The Czechoslovak nation has had the good fortune to possess leaders who have brought it by safe path to democracy.

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J. BOROVÍČKA
TEN YEARS OF CZECHOSLOVAK
POLITICS

EDITION OF TWO THOUSAND

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CHINA'S STRUGGLE
FOR 
TARIFF AUTONOMY

BY

EDWARD BING-SHUEY LEE

WITH AN INTRODUCTION

BY

DR. CHENGTING T. WANG

Minister for Foreign Affairs

National Government of the Republic of China

AND

A PREFACE

By

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INTRODUCTION

By **Dr. Chengting T. Wang**

*Minister for Foreign Affairs, National
Government of the Republic of China*

Ten years ago, at the Paris Peace Conference, the Chinese Delegation submitted a lengthy memorandum entitled "Questions for Readjustment between China and the Powers" which was prefaced as follows:—

"Since the beginning of the present century, and especially since the Revolution of 1911 which resulted in establishing a Republican Regime in place of the old imperial autocracy, China has made remarkable progress in the political as well as in the administrative fields. Her free development has, however, been greatly retarded by a number of hindrances of an international nature. Of these hindrances, some are the legacies of the past due to circumstances which do not exist now, while others arise from abuses which are not justifiable in equity or in law. Their maintenance would perpetuate the causes of difficulties, frictions and discords. As the Peace Conference seeks to base the structure of a new world upon the principles of justice, equality and respect for the sovereignty of nations.....the Chinese

INTRODUCTION

Delegation have, therefore, the honour to submit the present memorandum dealing with questions which require readjustment so that all hindrances to China's free development be removed in conformity with the principles of territorial integrity, political independence and economic autonomy which appertain to every Sovereign State."

The memorandum then expounded irrefutably China's case for the:

1. Renunciation of the spheres of influence or interest;
2. Withdrawal of foreign troops and police;
3. Withdrawal of foreign post offices and agencies for wireless and telegraphic communications;
4. Abolition of consular jurisdiction;
5. Relinquishment of the leased territories;
6. Restoration of foreign concessions and settlements; and
7. Tariff autonomy.

As is now public property, the said Conference was preoccupied with the immediate settlement of problems nearer the hearts of the Conference leaders. Consequently, the chairman

INTRODUCTION

of the Conference, M. Clemenceau, in acknowledging the above memorandum, could only express a sincere hope that China's claims would be dealt with justly by the League of Nations which was being created by the Peace Conference.

Much water has flowed under the bridges since the hectic days of that historic gathering. Nevertheless, after the lapse of a full decade, China's path to free development is still being obstructed by hindrances of an international nature. The renunciation of spheres of influence or interest and the withdrawal of foreign post offices required the convening of the Washington Conference three years later to accomplish, while the League of Nations even now has not yet acquired sufficient solidarity and supremacy to deal equitably with China's claims for readjustment. Fortunately, Heaven helps those who help themselves, and the recent consummation of our National Revolution has paved the way for the gradual elimination of other hindrances. I refer to the enforcement of China's new tariff from the first of February,

INTRODUCTION

1929, as a result of the new treaties providing for tariff autonomy concluded with all the signatories and adherents of the Washington Treaties save Japan. Furthermore, under the same powerful inspiration, in the case of the Powers whose treaties have expired—that is, Belgium, Italy, Denmark, Portugal and Spain—it is expressly stipulated that the relinquishment of consular jurisdiction will take effect from the first of January, 1930.

Now what is the salutary lesson to be drawn from these facts? Surely the plain, un-garnished, homely truth that salvation must come from within ourselves. As it is with individuals, so it is with nations; the only safe guide is that of self-help and it can scarcely be gainsaid that tariff autonomy would still be far from our grasp if the Chinese people had not undergone a change of heart and enabled the National Revolution to be speedily achieved. The remaining hindrances to China's free development have not all disappeared. But there is no valid reason why they should not be permanently discarded. Self-help breeds self-

INTRODUCTION

confidence, and self-help commands respect from others.

The unification of the country under one flag today is vouchsafing this Republic a golden opportunity. As ever before, the Powers are today most friendly and more than responsive to China's reasonable claims. The psychological moment has arrived, and we of the present generation owe it to our posterity not to falter but to take fortitude and opportunity in both hands and, by dint of conscientious hard work, persevere unswervingly and unflinchingly to the end.

CHENGTING T. WANG

Nanking, Dec. 31, 1928.

PREFACE

By

T. V. SOONG

Minister of Finance,

National Government of the Republic of China

It is difficult to estimate the tremendous direct and indirect losses incurred by China as a result of foreign control of the Customs through the workings of the unequal treaties. Times have changed and the country is witnessing a new era under the Kuomintang. Not content with the overthrow of the military oligarchy and the achievement of national reunification, the Party is committed to the policy of the abolition of unequal treaties in order to ensure the freedom of the people in accordance with the doctrines of Dr. Sun Yat-sen.

Tariff autonomy constitutes one of the most pressing problems of our nation. Tariff autonomy is ours to-day because the Kuomintang has shown courage and indefatigable energy in guiding the people and directing the Government in this uphill fight. For several decades in succession

PREFACE

our country has been groaning under the shackles of unequal treaties. Partly due to the feeble administration of the Manchu dynasty and partly due to the aggressive influence of the Powers the people have indeed suffered grave afflictions in the past without any prospects of amelioration.

Now that a new leaf is being turned in the history of our Republic, we may safely predict that brighter days are ahead as treaties are revised, and tariff autonomy is enforced, all of which will have a great bearing on the economic future of our people. I have much pleasure to recommend the present work for the perusal of our people in order that the significance of these changes may be properly appreciated.

T. V. SOONG

Nanking, Dec. 31, 1928

FOREWORD

For sometime past there has been felt a strong demand for a small manual giving the historical background as well as other important aspects of one of China's momentous struggles—the struggle for tariff autonomy. No impartial reader of this booklet can conceive any further doubt that the five per cent *ad valorem* duty provision has subjected this country to numerous disadvantages which have seriously retarded her economic development.

It is not too much to say that the advent of tariff autonomy both in letter and in spirit ushers in a new era of Sino-foreign cooperation. The Chinese themselves will be benefited because they will be in a position to make greater progress in the field of domestic industries which will considerably elevate the standard of living among the people in general. Foreigners have also much to gain as a result of this forward step, because the increase of the national revenue which will accrue from tariff autonomy will enable the National Government to meet her foreign obligations with greater ease, while the people will be able to buy more foreign goods be-

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CHAPTER I

HISTORICAL BACKGROUND

EARLY TRADE

Owing to natural geographical barriers and lack of communications with the outside world, China has developed an indigenous civilization comparatively free from outside influences. But in spite of the fact that trade and commerce has not been extensively carried on between China and foreign countries until within the last few centuries, history tells us that two thousand years ago the Chinese brought silk, iron, skins and hides to the Roman Empire in exchange for precious stones, jewelry, glass, textiles and medicine.

It is interesting to note that the tariff question is as old as the history of foreign trade in China itself, for nearly two thousand years ago ways and means were devised to regulate commerce by the collection of customs duties. As far back as the Sung Dynasty (A. D. 960-1280) a maritime customs service was

HISTORICAL BACKGROUND

established at Canton, Chienchow and Hangchow, and the office of the Inspectorate of Maritime Trade was inaugurated during the year 971.* All foreign vessels were required to go to Canton, Tsuanchow, and Liangcho province or Cochin-China; while the five ports of Canton, Chienchow, Hangchow, Mingchow and Michow were opened to foreign trade and commerce during the year 999.

The Inspectorate of Maritime Trade was vested with complete authority for the compulsory registration of all foreign vessels coming into port, the examination of the ship's manifests, and the levying of import and export duties. Three-tenths of the merchandise were retained as duty, while the balance was handed back to the owner. The early trade at that time consisted chiefly of ivory, frankincense, copper, tortoise shell, camphor, rhinoceros' horns, ebony, rock crystals, amber, scented wood, incense, porcelainware, cotton fabrics, piece goods of all descriptions, and gold and silver pieces.

* Ancient records say that customs regulations existed during the Chow Dynasty (B.C. 1122-255)

EARLY TRADE

It is worthy of note that the import duty during the ninth century was a flat 30 per cent, but during the beginning of the twelfth century the duties for camphor, pearls and other expensive articles was fixed at 10 per cent and 30 per cent was imposed upon sapanwood, tortoise shell and other coarser articles. However, some changes were affected during the latter period, for the duties upon aromatic drugs was increased to 40 per cent during 1150 and was further increased to 50 per cent during the year 1175. In order to meet the demands of the growing trade, it was found necessary during the Yuan Dynasty to increase the collectorates of customs to seven.

The coming of the Portuguese in 1517 marked a new period in China's foreign relations, for these newcomers were the vanguard of unscrupulous traders who would not hesitate to use sword and cannon to accomplish their purpose. Barely had the second fleet of Portuguese vessels arrived when they proceeded to build a

HISTORICAL BACKGROUND

fort and attempted to exercise jurisdiction over the inhabitants in the vicinity, behaving themselves with great insolence and cruelty. The coming of the Spaniards did not improve the situation, for jealousy of the prosperity of the emigrants from China prompted the Spanish adventurers to massacre twenty thousand Chinese during 1603 and another twenty-two thousand during 1639. It was but natural that the unruly acts of these early foreign traders should cause considerable apprehension among the Chinese authorities and an imperial edict was issued in 1759 confining the trade with Europeans to Canton.

By this time the British had succeeded in holding the foremost place among the foreign traders and their interests were represented by the East India Company, which was a monopolistic corporation. A new system of conducting trade with foreigners was initiated by the Chinese authorities through the establishment of the Cohong with its membership of thirteen Chinese merchants. This system was introduc-

TARIFF CLAUSES

ed with a view to simplifying the task of the customs officials who found difficulty in dealing with unknown foreign merchants speaking an alien tongue. The system whereby the Chinese merchants were represented by the Cohong and the British interests by the British East India Company was soon destined to end, for the charter of the latter corporation expired in 1834 and the British Government refused to renew it. Three superintendents of trade, headed by Lord Napier, were appointed to establish diplomatic relations between China and Great Britain on a new basis. Lord Napier died shortly after he reached China and his place was taken by Captain Elliot.

TARIFF CLAUSES

Opium smuggling into China had grown to such proportions that Commissioner Lin Tse-hsi was appointed to suppress the evil, and this so enraged the British merchants that hostilities broke out between China and Britain. China lost the opium War of 1842 and a staggering

HISTORICAL BACKGROUND

indemnity of \$21,000,000 was exacted; island of Hongkong was ceded in perpetuity to England; and the five ports of Canton, Amoy, Foochow-fu, Ningpo and Shanghai were thrown open to foreign trade and commerce.

Through the Treaty of Nanking, China lost the right of determining her own import and export dues, and special privileges and immunities were given to foreigners but denied to Chinese merchants. Provisions of the conventional tariff of five per cent which served to impair China's sovereignty was contained in Article X of the Treaty of Nanking signed during August 29, 1842, stipulating that:

“His Majesty the Emperor of China agrees to establish at all the ports which are, by Article I of this Treaty, to be thrown open for the resort of British merchants, a fair and regular tariff of export and import customs and other dues, which tariff shall be publicly notified and promulgated for general information. And the Emperor further engages, that British merchandise shall have once paid at any of the said ports the regulated customs and dues, agree-

TARIFF CLAUSES

to the tariff to be hereafter fixed, such merchandise may be conveyed by Chinese merchants to any province or city in the interior of the Empire of China, on paying a further amount as transit dues, which shall not exceed — per cent on the tariff value of such goods."

The Treaty of Nanking provided that the Chinese Government should take steps to promulgate a schedule of customs duties, and accordingly, a "Declaration" issued by the Chinese Government on June 26, 1843 fixed a five per cent duty upon all imports as well as exports. The supplementary treaty of October 8, 1843 with Great Britain further curtailed China's rights as a sovereign nation when the *Most-Favoured-Nation* clause was introduced, providing for unilateral and unconditional treatment to British subjects by China without at the same time granting similar reciprocal treatment to the subjects of China. The opportunity of exploiting the "Sleeping Giant" through the operation of this clause was not to be lost, so the United States took steps to incorporate this clause in the Treaty of Wang-

HISTORICAL BACKGROUND

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TARIFF CLAUSES

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HISTORICAL BACKGROUND

hsia on July 3, 1844; while France insisted upon introducing the *Most-Favoured-Nation* clause in the Treaty of Whampoa of October 24, 1844. Thus, practically all the subsequent treaties with foreign Powers contain provisions conferring favours and immunities to subjects of other countries which are denied to Chinese citizens; so that China finds herself in such a position that she cannot get rid of the limitations to her sovereignty unless she can obtain the unanimous consent of all the Treaty Powers.

As a result of the Second Opium War, when the combined forces of Great Britain and France attacked China, the Treaty of Tientsin was signed separately with Great Britain, France, the United States and Russia. The Treaty with Great Britain provided for a revision of the tariff and for the levying of the transit dues at the rate of 2 1/2 per cent *ad valorem*. The French Treaty of Tientsin, signed on June 27, 1858, also dealt with commercial regulations and the tariff question. In pursuance of the stipulations for tariff revision,

TARIFF CLAUSES

a subsequent agreement relating to tariff and the rules of trade was signed between China and Great Britain on November 8, 1858, which provided for the following:

1. That a five per cent *ad valorem* duty was to be levied upon imports as well as exports.

2. Articles which were not enumerated in the list of exports but enumerated in the list of imports, when exported, were to pay the amount of duty set against them in the list of imports; and articles which were not enumerated in the list of imports, but enumerated in the list of exports, when imported were to pay the amount of duty set against them in the list of exports. Articles which were not enumerated in either the list of exports and imports or in the list of duty-free goods, were to pay an *ad valorem* duty of five per cent, according to the market value.

3. Transit dues of imports as well as exports were fixed at one half of the tariff duties, while duty-free goods were liable to a transit duty of two and one-half per cent.

4. By a payment of the transit dues, foreign goods claim exemption from *likin*.

5. A uniform system of taxation was to be enforced at every port.

HISTORICAL BACKGROUND

6. Duty-free goods were to consist of gold and silver bullion, foreign coins, flour, and the daily necessities of foreign residents in China.

7. Contraband goods comprised gunpowder, ammunition and other implements of war, and salt.

The United States drew up on November 8, 1858, a separate convention relating to a new tariff and regulations of trade and transit. Russia, however, was contented at that time with stipulating that her merchants should pay the same duties as are levied upon other foreign merchants.

The move to secure tariff revision on the part of the Powers primarily had only the interests of the foreign traders at heart, for prices during 1858 began to drop and the 5 per cent customs duty based upon the 1843 agreement appeared to be in excess of the 5 per cent prescribed. So that instead of raising the tariff the Powers actually lowered the rate without consideration to the needs of China.

It is interesting to note that side by side with the provisions giving to the missionaries the right to carry on their propaganda and

TARIFF CLAUSES

reside in the interior, the convention provided for the legalization of the opium traffic which had long been the aim of the British negotiators, for according to Lord Ellenborough in a Parliamentary debate, "the million and a half sterling revenue derived from foreigners which, if the opium monopoly was given up and its cultivation abandoned, they would have to seek for elsewhere." Their hopes were at last realized, when the Chinese authorities made no resistance to Rule 5 of Article XXVI :

"The restrictions affecting trade in opium . . . are relaxed under the following conditions: opium will henceforth pay 30 taels per picul import duty. The importer will sell it only at the port The transit dues will be arranged as the Chinese Government see fit; nor, in future revisions of the tariff is the same rule of revision to be applied to Opium as to other goods"

A staggering indemnity of 450,000,000 taels was imposed upon China during 1901 as a punishment for the Boxer Uprising, and the securities were based upon the proceeds of the Maritime Customs, the Native Customs and the

HISTORICAL BACKGROUND

Salt Gabelle. It was found necessary to allow China to revise her tariff in order to enable her to raise more revenue, but no chance was given to raise the rate higher than 5 per cent *ad valorem*, while the prices were to be based upon the preceding three years - 1897, 1898 and 1899. In pursuance of these provisions, an agreement relating to tariff matters was signed on August 29, 1902, with the special commissioners of Austria-Hungary, Belgium, Germany, Great Britain, Japan, the Netherlands, Spain and later by those of the United States, France,, Sweden and Norway. As the prices prevailing in 1902 were not taken into account, it is unnecessary to say that this increased tariff was hardly sufficient to meet the needs of the indemnity.

THE MACKAY TREATY AND AFTER

During 1902 and 1903 China made another effort to adjust the unsatisfactory conditions relating to trade, finance and other question which affect her relations with foreign coun-

THE MACKAY TREATY AND AFTER

tries. As a consequence, the Mackay Treaty of September 5, 1902 was signed between Great Britain and China. The Preamble of Article VIII of this treaty read :

“The Chinese Government recognising that a system of levying *Likin* (Inland Transit Tax) and other duties on goods at the place of production, in transit, and at destination, impedes the free circulation of commodities and injures the interests of trade, hereby undertake to discard completely these means of raising revenue with the limitation mentioned in Section 8.

“The British Government, in return, consent to allow a surtax in excess of the tariff rate for the time being in force to be imposed on foreign goods imported by British subjects and a surtax in addition to the export duty on Chinese produce destined for export abroad or coastwise.

“It is clearly understood that, after *Likin* barriers and other stations for taxing goods in transit have been removed, no attempt shall be made to revive them in any form or under any pretext, whatsoever; that in no case shall the surtax on foreign imports exceed the equivalent of one and a half times the import duties leviable in terms of the Final Protocol signed by China and the Powers on the 7th day of September,

HISTORICAL BACKGROUND

1901; that payment of the import duty and surtax shall secure for foreign imports, whether in the hands of Chinese or non-Chinese subjects, in original packages or otherwise, complete immunity from all other taxation, examination or delay; that the total amount of taxation leviable on native produce by export abroad shall, under no circumstances, exceed seven and one-half per cent *ad valorem*."

This consent, however, for an increase of the import tariff to twelve and one-half per cent, and of the export duty to seven and one-half per cent *ad valorem* in recompense for the abolition of likin was made under the following conditions:

"1. That all Powers who are now or who may hereafter become entitled to *most favored nation* treatment in China enter into the same engagements.

"2. And that their assent is neither directly or indirectly made dependent on the granting by China of any political concession or of any exclusive commercial concession.

"3. Should the Powers entitled to *most favoured nation* treatment have failed to enter into the engagements undertaken by Great Britain under this Article by the 1st January, 1904, then the provisions of the

THE MACKAY TREATY AND AFTER

Articles shall only come into force when all the Powers have signed their acceptance of these engagements."

Provisions similar to the Mackay Treaty were contained in the Sino-American Treaty of 1903 :

"The Government of the United States agrees that foreign goods on importation, in addition to the effective 5 per centum import duty as provided for in the Protocol of 1901, shall pay a special surtax of one and one-half times the amount of the said duty to compensate for the abolition of *likin*, of other transit dues besides *likin*, and of all other taxation on foreign goods, and in consideration of the other reforms provided in this article."

The Treaty of 1903 between China and Japan provided for the following stipulation :

"Whereas China, with the object of reforming its fiscal system, propose to levy a surtax in excess of the tariff rates on all goods passing through the Custom Houses, whether maritime or inland and frontier, in order to compensate in a measure for the loss, incurred by the complete abolition of *likin*, Japan consents to pay the same surtax as is agreed upon between China and all Treaty Powers."

HISTORICAL BACKGROUND

Conforming as it does to the wishes of China on paper, the Mackay Treaty was never meant to be put into effect, for the actual increase hinges on the acceptance of all the provisions by the Treaty Powers enjoying *most-favoured-nation* treatment, and since each country has its own interests at heart, the benefits of this Treaty has never become operative. Furthermore, tariff increase is conditional upon the abolition of *likin*, which means that the tariff rates were to be so regulated that just sufficient revenue would be yielded to make good the loss due to the abolition of *likin*, ignoring the fact that the move to seek an increase in the tariff rates is an effort to secure more revenue. So that even after twenty-seven years have elapsed, the Mackay Treaty is still inoperative.

As prices were rapidly mounting and the 5 per cent *ad valorem* proved inadequate, the Chinese Foreign Office addressed a note during 1914 to the various Treaty Powers asking them for a revision of the tariff. China's request was

THE MACKAY TREATY AND AFTER

acceded to by Great Britain, the United States, Germany and Austria-Hungry; but Italy, Russia and Japan made counterproposals which were not acceptable to China, so the project was dropped.

It was not until 1918 that China finally succeeded in obtaining consent to tariff revision from the reluctant Powers in recognition of her entry into the European War on the side of the Allies. The motive that prompted them to give their consent was their desire to see China contribute to the common cause. So they agreed to "the principle of increase of the Maritime Customs duties to an effective rate of five per cent *ad valorem*, a commission including Chinese delegates to be intrusted with the modifications to be adopted in the system of tariffs in the interests of all the contracting parties, and the Allied Governments lending the Chinese Government their good offices in order to obtain the acceptance by the neutral Powers

HISTORICAL BACKGROUND

of this increase in the Maritime Customs duties." A tariff revision commission, therefore, met at Shanghai during January, 1918 and fixed the rates upon "the average of the values of imports as they appeared upon invoices during the years 1912-1916." Experts estimate that based upon the prices prevailing during the year 1919 the revised tariff amounted to only four per cent effective,

As a result of a great famine which occurred during 1921, China was allowed to levy a surtax of 10 per cent upon both imports as well as exports for one year in order to raise revenue for famine relief. The question of tariff revision, however, was not again brought up until the convening of the Washington Conference, when the Annex to Article I stated that "with a view to providing additional revenue to meet the needs of the Chinese Government," the schedule of duties on imports into China which had been fixed by the Tariff Revision Commission of 1918 should "forthwith be revis-

THE MACKAY TREATY AND AFTER

ed so that the rates of duty shall be equivalent to 5 per cent effective, as provided in the several commercial treaties to which China is a party." In accordance with Article II of the the Nine Power Customs Treaty, the Tariff Revision Commission met at Shanghai on March 1, 1922. The Shanghai market values for the six months from October, 1921 to March, 1922 were taken as the basis for revising the import duties, and the new tariff was completed during the latter part of 1922, being enforced on January 17, 1923.

CHAPTER II

THE MARITIME CUSTOMS

BEGINNING OF FOREIGN RULE

There is an erroneous impression among foreigners that they or their predecessors are responsible for all reforms in China. In contradiction to the notion that the Chinese customs were instituted only by foreigners, the writer has already pointed out that as far back as the tenth century A.D. a maritime customs service was established and the office of the Inspector of Maritime Trade was formally opened in 97 A.D. However, Great Britain imposed an indemnity of 21,000,000 taels after the Opium War of 1842, securing the payment on the customs. Five ports were then opened to foreign trade and commerce and Great Britain appointed some officials to collect the duties paid by British merchants. This practice was soon followed by other governments. The old irregular taxes levied by the hong merchants were removed but new evils were created because the consuls could not refrain from

BEGINNING OF FOREIGN RULE

giving favours to their own nationals. Lack of uniform action on the part of the American and French consuls caused the British government to withdraw and the Chinese government again took upon itself the task of collecting the customs revenue.

The Taiping Rebellion placed a temporary setback to the administration of the customs, for Shanghai was occupied during September, 1853 and the Chinese Taotai, Mr. Nieh, who took charge of the Shanghai customs, was forced to take refuge in the settlement. In the absence of customs officials the foreign merchants agreed among themselves to declare their goods before their respective consuls and to pay or give bond for their payment the five per cent duties, and the amounts thus paid to be accounted for to the Chinese Government. This plan did not work satisfactorily, so on July 29, 1854, the following agreement to appoint foreign inspectors to assist the Chinese Commissioner of Foreign Trade was entered into between the Shanghai Taotai and the British, American and French Consuls.

CHAPTER II

THE MARITIME CUSTOMS

BEGINNING OF FOREIGN RULE

There is an erroneous impression among foreigners that they or their predecessors are responsible for all reforms in China. In contradiction to the notion that the Chinese customs was instituted only by foreigners, the writer has already pointed out that as far back as the tenth century A.D. a maritime customs service was established and the office of the Inspectorate of Maritime Trade was formally opened in 971 A.D. However, Great Britain imposed an indemnity of 21,000,000 taels after the Opium War of 1842, securing the payment on the customs. Five ports were then opened to foreign trade and commerce and Great Britain appointed some officials to collect the duties paid by British merchants. This practice was soon followed by other governments. The old irregular taxes levied by the hong merchants were removed but new evils were created because the consuls could not refrain from

BEGINNING OF FOREIGN RULE

giving favours to their own nationals. Lack of uniform action on the part of the American and French consuls caused the British government to withdraw and the Chinese government again took upon itself the task of collecting the customs revenue.

The Taiping Rebellion placed a temporary setback to the administration of the customs, for Shanghai was occupied during September, 1853 and the Chinese Taotai, Mr. Nieh, who took charge of the Shanghai customs, was forced to take refuge in the settlement. In the absence of customs officials the foreign merchants agreed among themselves to declare their goods before their respective consuls and to pay or give bond for their payment the five per cent duties, and the amounts thus paid to be accounted for to the Chinese Government. This plan did not work satisfactorily, so on July 29, 1854, the following agreement to appoint foreign inspectors to assist the Chinese Commissioner of Foreign Trade was entered into between the Shanghai Taotai and the British, American and French Consuls.

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“Rule 1. The chief difficulty experienced by the superintendent of customs having consisted in the impossibility of obtaining Customs House officials with the necessary qualifications as to probity, vigilance, and knowledge of foreign languages required for the enforcement of a close observance of treaty and customs house regulations, the only adequate remedy appears to be in the introduction of a foreign element into the customs house establishment, in the persons of foreigners carefully selected and appointed by the taotai, who shall supply the deficiency complained of, and give him efficient and trustworthy instruments wherewith to work.”

The whole matter of administering the customs was left to three foreigners, Captain Thomas Wade (British), Mr. L. Carr (American), and Mr. Arthur Smith (French). The chief executive officer was Captain Wade, but his place was taken a year later by Mr. H. N. Lay, who was given the title of Inspector-General during 1859 under Rule 10 of the rules of trade drawn up by the Tariff Commission of 1858.

“The high officer appointed by the Chinese Government to superintend foreign trade will accordingly,

BEGINNING OF FOREIGN RULE

from time to time, either himself visit, or will send a deputy to visit, the different ports. The said high officer will be at liberty, at his own choice, and independently of the suggestion or nomination of any British authority, to select any British subject he may see fit to aid him in the administration of the customs revenue; in the prevention of smuggling; in the definition of port boundaries; or in discharging the duties of harbour-master; also in the distribution of lights, buoys, beacons and the like, and the maintenance of which shall be provided for out of the tonnage dues."

Mr. Lay quarreled with the Chinese Government over the purchase of a fleet of gunboats for the suppression of pirates, a matter which was not at all connected with the administration of the customs. On this account, Mr. Lay resigned during 1862 and his place was taken by Mr. Robert Hart who was knighted in 1882. Sir Robert Hart held the position until 1908, when he was succeeded by Mr. (later Sir) F. A. Aglen. During January, 1927, the defunct Peking Government issued orders for the collection of a 2½ per cent surtax beginning from April 1, 1927, but Sir Aglen protested on the ground that the business of

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the Customs was only to collect the taxes agreed to by the Powers and that he cannot take charge of the collection of these surtaxes until the unanimous consent of the Powers is obtained. So Sir Aglen was dismissed on February 1, 1927 on the ground that an Inspector-General is an official appointed by the Chinese Government and should carry out the orders of the government, and Mr. A. H. F. Edwardes was appointed officiating Inspector-General. There is no need to say that the diplomatic corps and the British Legation strongly protested against the dismissal of Sir Aglen.

BRITISH PREPONDERANCE

In a letter dated February 10, 1898 from the Tsung-li Yamen (Foreign Office) to Sir C. MacDonald, the assurance was given that an Englishman will hold the position of Inspector-General of Maritime Customs indefinitely:

"The Yamen have the honour to acknowledge receipt on the 3rd February of a note from the British Minister, to the effect that on the 17th January, when calling at the Yamen, he had informed the Minister

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present that he had received telegraphic instructions from Her Majesty's Government that in view of the immense preponderance of British trade with China over that of other countries, Her Majesty's Government regarded it as vital to the commercial interests of Great Britain that the Inspector-General of Maritime Customs should in the future, as in the past be of British nationality. The Yamen had agreed to this, and in order that there might be no room for misunderstanding, the Minister now addressed this note to the Yamen to place the matter on record."

The British Minister again approached the Chinese Foreign Office during May, 1908 and obtained the assurance that in conformity with the agreement of 1898 a British Inspector-General shall remain in office as long as British trade predominates.

The Maritime Customs Service remains a branch of the Chinese Government because Section 10 of the agreement of 1858 plainly stipulated that the Chinese High Commissioner of Foreign Trade was to be "at liberty, and at his own choice, and independently of the suggestion or nomination of any British authority,

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to select any British subject he may see fit to aid him in the administration of the customs revenue." The customs receipts do not pass through the hands of the foreign commissioners but go into the custody of banks designated by the Chinese Government. The commissioners simply receive the certificates testifying that the proper amounts have been paid by the importer or exporter into the banks designated for their receipt. Until the obligations of the foreign debts for which the customs revenue have been pledged as security have been met, the receipts cannot be drawn upon by the Chinese Government. During the Revolution of 1911, however, the customs receipts were deposited in the Hongkong and Shanghai Banking Corporation, the Russo-Asiatic Bank, and the Deutsch-Asiatische Bank and the funds could not be drawn except under the signature of the Inspector-General.

Yet in carrying out their duties the British Inspector-General and his assistants have gone beyond the letter and spirit of the treaties,

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taking advantage of the fact that the Chinese Government up till the time of the Nationalist regime has never attempted either to interfere with the appointments in the service or to dictate the administrative policies of the Maritime Customs. Although treaty stipulations place the Maritime Customs under the control of the Chinese Government, the Inspector-General has constantly defied orders and have shown glaring cases of discrimination towards the Chinese. The first example of insubordination may be shown by the case of Mr. H. N. Lay, who, in defiance of the orders of the Chinese Government, went to England and bought eight vessels and actually dispatched them to China under the command of Captain Osborne. When Tang Shao-yi, the veteran statesman who was then President of the Board of Foreign Affairs, created the Shui-wu Chu or Revenue Council during 1906 to supervise the Inspectorate-General of Customs, Sir Robert Hart refused to give recognition to the authority of the Shui-wu Chu. This defiant attitude has been reflected in the persons of the Commissioners stationed in

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the various ports who continued to ignore the orders of the Chinese Director-General of Customs, who holds a higher rank than the Inspector-General; and it was not until the advent of the Nationalist régime that the Commissioners began to take the orders of the Chinese Director-General of Customs seriously. Another glaring instance of disobedience to the orders of the China Government, as already pointed out, was that Sir F.A. Aglen refused to collect the 2 1/2 per cent surtax ordered by the defunct Peking Government during 1927, consequently bringing about his dismissal in spite of strong representations and the united front of the diplomatic corps. What is most obnoxious to China is the establishment of a London Office under foreign control by the Customs Administration, entirely ignoring the fact that China is an independent nation and not a British colony.

The conspicuous discrimination shown in the employment of Chinese in the customs personnel cannot be consistent with the oft-boasted

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standards of British justice, for notwithstanding the fact that the Maritime Customs is essentially a Chinese service, no Chinese is permitted even to hold a full assistantship till the year 1907, and no Chinese has ever held the position of Commissioner until the coming of the Nationalists. The policy of discrimination is even extended to the marine and harbour works, where technical positions are handed over to foreigners in spite of the fact that the number of Chinese technical men capable of performing duties of this nature are increasing day by day.

The Maritime Customs is divided into three departments:—the Revenue Department, the Marine Department, and the Works Department. The Revenue Department is divided into the Indoor and Outdoor staffs. The Indoor staff handles the accounting and administrative work, and the foreign members are either recruited through the customs office in London or by direct nomination. A Commissioner, who is assisted by a Deputy Commis-

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sioner and four grades of assistants, has charge of the Indoor Staff at each Treaty Port; while the Outdoor Staff is composed of various grades of surveyors, appraisers, examiners, and tide waiters. The Chinese staff of the Revenue Department is recruited by competitive examination and are all required to speak English. The Marine Department consists of an engineer's staff, harbour staff and lights staff; while the works Department was only recently organized.

ABUSE OF PRIVILEGES

Foreigners are never tired of praising the Administration of the Maritime Customs but there are many defects which they have either overlooked or ignored. It would be interesting to point out that fifteen per cent of the gross revenue is retained for operating the revenue side of the service, which is an exceedingly high amount as compared with the cost of operating similar services in other countries. Again, the Chinese Government does not get the benefit of the amounts received in the form

ABUSE OF PRIVILEGES

of fines which yields a considerable sum every year. One would like to know why the Customs Administration has never published a detailed account of the manner in which it has expended the fifteen per cent of the gross revenues retained by itself, or published an account of the receipts and expenditures with regard to the Customs' share of the tonnage dues and fines!

With foreigners in control of the customs, many mal-practices have arisen which continued without check. A number of evils resulting from the control of the customs by foreigners may be enumerated here:

1. Foreign control of the customs facilitates the smuggling by foreigners of goods which are either prohibited from importation or are liable to pay duty. The following illustration serves to elucidate the charge. Foreigners on landing in China are not subject to a rigid search of their belongings and the customs examiners make it a point to thoroughly examine the luggage of the Chinese passengers.

THE MARITIME CUSTOMS

Taking advantage of this situation, foreigners are enabled to smuggle goods into China by evading customs duty. For instance, foreign tourists bring in diamonds rings and other valuables which should pass through the customs. Again, one must not forget that there exist powerful opium combines which are using every means to smuggle narcotics into the country. Statistics from the Maritime Customs show that during the year 1921 more than 150,000 pounds of opium was seized, together with 647 pounds of morphia and 764 pounds of cocaine; while 83,000 pounds of opium, 601 pounds of morphia and 325 pounds of cocaine were seized during the year 1926.

2. The customs house passes for granted any invoice which a foreign importing house certifies to be correct, but sometimes foreign importers in China connive with foreign exporters abroad to fabricate false invoices in which the value of the merchandise was greatly minimized so that the Import duty payable on arrival in China would be far below the amount of what should actually have been paid.

3. The use of English is compulsory in passing through the Maritime Customs and this is a source of great inconvenience to the Chinese merchants because

ABUSE OF PRIVILEGES

English is not their mother tongue, and it was only recently that the Chinese language is placed on a par with the English language owing to the strong protest on the part of the National Government. The Customs publications are issued in English only. The Daily Returns, the Decennial Reports, the Customs Handbook, etc, have no Chinese version, and the statistics are especially compiled for the information of foreign importers. It may be pointed out that the classification is exceedingly poor from the standpoint of practical requirements of each item.

4. Discrimination is shown towards Chinese navigation companies as contrasted with foreign navigation companies. Many Chinese-owned vessels are subject to the most rigorous examination before such vessels are given permission to navigate, and the inconveniences suffered through this discriminatory treatment are such that owners of Chinese vessels have even resorted to the medium of having such vessels hoist foreign flags. It is self-evident that foreign administration of the customs has placed certain obstacles to the development of inland navigation in China.

5. The Maritime Customs has shown discrimination against the Chinese in the matter of pilot service for vessels plying in the inland waters of China. Vested

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with complete power for controlling the pilot service, the Maritime Customs authorities have excluded Chinese pilots altogether, making it necessary for foreign pilots to be employed not only on foreign-owned vessels but also on Chinese-owned ships. This glaring case of favouritism to foreign pilots is fraught with danger to the welfare of China, for these alien pilots have access to the most strategic points in the inland defences both on land and at sea, and should hostilities occur between China and a foreign power there is the possibility that the services of these pilots may be used by the opposing country to the detriment of China. The foreign pilots' associations have agreed to enroll some Chinese on their membership list, but this still leaves China at a disadvantage.

6. It has already been pointed out that the wholesale discrimination shown to the Chinese in the Maritime Customs service cannot be based upon the grounds of justice because all the important positions are taken by foreigners and no Chinese has ever even held the position of assistant till the year 1907, while no Chinese has held the position of Commissioner up till the time of the Nationalist régime, in spite of the fact that there are many Chinese who are eligible for high positions owing to their experience and ability.

7. In choosing the Commissioners for the various Treaty Ports the Inspector-General has taken into con-

ABUSE OF PRIVILEGES

sideration the amount of influence each nation exerts over certain sections of China, and by so doing, have helped to strengthen the grip of the various Powers over their "spheres of influence." British Commissioners were invariably appointed to Kwantung Province and the Yangtze region owing to British predominance there. Similarly, French commissioners were appointed to places where the influence of France predominates; such as Kwangsi and Yunnan, and during the old days when the Germans held sway in Tingtai the Commissioner functioning at that port was a German. The commissioners of Dairen and Antung are Japanese and they are anxious to extend their influence throughout the whole of Manchuria as evidenced by the fact that they repeatedly protested against the appointment of an Englishman as Commissioner at Newchwang: in fact, they have even been carrying on official correspondence in the Japanese language. Lately the "spheres of influence" have not been so well defined, but it is self-evident that the appointment of Commissioners according to their nationality has helped to strengthen foreign domination over China.

8. Defiance by the Inspector-General and his foreign Commissioners of the orders and regulations of the Chinese Government has already been referred to, and this constitutes a breach of treaty stipulations

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under which this service is subject to the authority of the Chinese Government, but through the discriminations enumerated above and the defiance of government orders it has become an administration by itself in actual practice.

The system of extraterritoriality and the foreign control of the Maritime Customs has contributed in no small measure to the economic enslavement of China. When the customs regulations are violated by foreigners, the administration of justice is rendered more difficult owing to their immunity from the operations of Chinese law, and the Chinese authorities cannot impose fines without resorting to the foreign Consuls, who are necessarily advocates of their own nationals, so that in most cases the proceedings are instituted only against the offending ship or its cargo. Should a vessel be found engaged in unauthorized trading along the coast, that vessel can be excluded from such trade in the future but the penalty is never applied. When a dispute arises between the customs and the importer regarding the value or classification of goods, the case is referred to

KINDS OF CUSTOMS

a Board of Arbitration composed of an official of the customs, a merchant selected by the consul of the importer, and a merchant to be selected by the senior consul and differing in nationality from the importer. When a ship or goods belonging to a foreign merchant is seized for confiscation, the superintendent notifies the interested parties who have the option of demanding a public investigation through appealing to the Consul. When both the superintendent and the Consul agree to confiscate the goods after the investigation is held, the merchant has no appeal; but should the consul dissent from the views of the superintendent, the case is referred to the higher authorities—with the Chinese Foreign Office on the one side and the Minister of the nation to which the merchant belongs on the other.

KINDS OF CUSTOMS

The nature of the customs in China may be enumerated as follows:

1. The Maritime Customs located at the treaty ports and under foreign supervision.

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2. The frontier customs located at the boundaries between China and Russia, Korea, Annam and Burma, which are also under foreign supervision.

3. The customs in the leased territories which are situated usually at the frontier between the borders of the leased territories and China.

4. The native customs which may be divided into three classes: (a) the inland customs, (2) the maritime customs at places further distant than fifty li or about sixteen miles from a treaty port, and (3) the maritime customs within fifty li of a treaty port which has been controlled by the Maritime Customs Service ever since the Boxer Protocol was signed in 1901.

CHAPTER III

TARIFF ARRANGEMENTS

DRAWBACKS

Article 45 of the British Treaty of 1858 provides that when duty has been paid on imported articles, they may be reexported without further payment within three years if they are destined for another open port; or a "drawback" or refund of the amount originally paid may be secured upon application if the goods are bound for a foreign port. Distinction is made between "ordinary drawbacks" and "special drawbacks", but Chinese applicants do not secure the "special drawbacks" so easily as foreigners.

The Anglo-Chinese Chefoo Agreement of 1876 stipulated that the duty-paid imports to be conveyed into the interior may be covered by a pass certifying payment of the transit dues, and set three years as the term within which a drawback might be claimed on duty-paid imports.

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Russia had been carrying on a regular overland trade ever since the year 1689, and following the example of the other Powers in securing special privileges, the understanding that the customs rate for the Russian trade was to be reduced to $\frac{2}{3}$ of the general tariff—or three and one-third per cent *ad valorem*—was extracted from China in accordance with the Commercial Treaty of 1862. Further regulations relating to the frontier trade was contained in the St. Petersburg Treaty of 1881, which declared that no duties should be levied on the frontier of the two countries within a limit of one hundred li (or thirty-three miles.) In Article 10 of the Sino-Russian Treaty of 1896, it was expressly stated that: “Merchandise imported from Russia into China by the railway, and likewise merchandise exported from China into Russia by the same route, will respectively pay the import and export duty of the Chinese Maritime Customs, less one-third.” It was further provided that: “Passengers’ baggage, as well as merchandise despatched in

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transit from one Russian station to another, will not be subject to customs duties; they will likewise be exempt from any internal tax or duty."

Further commercial privileges were secured from China as a result of the Russian Minister's letter to Prince Ch'ing under date of June 25 July 8, 1907, conveying the desire of the Imperial Russian Government that "any special privileges which may in future be granted to goods conveyed in Manchuria through the port of Dalny (Dairen) should also be extended to goods brought into Manchuria over the land frontier. Therefore, all privileges granted to goods brought through the port of Dalny, and not provided for in the treaties on maritime trade or the agreement for the construction of the South Manchuria branch, shall be granted also to the goods introduced into Manchuria over the railroad via frontier points."

The Russo-Chinese Treaty of July 8, 1907 for the establishment of customs houses in northern Manchuria reiterated that no duties were to be levied on the frontier of the two

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countries within the limit of one hundred li (33 miles), and that China binds herself not to collect duty upon goods shipped by railway to the stations within the hundred-limit of the frontier. China was to establish customs stations at the frontier, but certain areas were to be fixed within which goods shipped by rail were to be required to pay but two-thirds of the regular duty. Accordingly, the two-thirds duty area was to extend to a l points within a radius of ten li from Harbin, while at other designated stations the radius was set as five li; and at all the smaller stations on the Eastern Railway the radius was to be three li. The two-thirds rate at first applied only to foreign merchandise but in this agreement it was clearly stated that this special privilege applies not only to Russian but to all foreign merchandise shipped over the Chinese Eastern Railway. Russia, on the other hand, agreed to a reduction of one-third on goods imported across her frontier from China, provided they are not exempt from duty in accordance with the terms of the Russo-Chinese Land Trade Convention.

FRONTIER TRADE

The fifty-verst free zone as provided by the St. Petersburg Treaty had worked to such disadvantage that the Chinese Government continually protested to the Russian Government until at last it was abolished through the following note addressed to the Waichiaopu by the Russian Minister under date of August 24 September 6, 1912:

"Of the proposals communicated by the Chinese delegate in August last year, the Imperial Government has taken note of the desire of the Chinese Government to abrogate the special privilege of duty-free trade in the fifty-verst zone on each side of the land frontier between Russia and China. The Imperial Government recognizes that under the present conditions when along the land frontier a series of populated districts has grown up, the existence of a fifty-verst free zone established at a time when the frontier was uninhabited, has become in many places abnormal. This is confirmed by the series of difficulties which have arisen latterly as to the true meaning of the privileges connected with the existence of this zone.

"Desiring to meet the above-mentioned wish of the Chinese Government, expressed through its delegate for the revision of the St. Petersburg Treaty, and recognizing the inconvenience of leaving the question

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of the fifty-verst privileged zone without decision for ten years, the Imperial Russian Government hereby informs the Chinese Government that the privileged zone on the Russian side of the land frontier between Russia and China will be abolished from 1/14 January, 1913."

With a view to developing frontier trade between Tonkin and China, the Trade Regulations between China and France were amended during the year 1887 and it was provided that all foreign goods entering the Chinese provinces of Yunnan, Kwangtung and Kwangsi across the frontier were to pay three-tenths less duties than the regular tariff, while goods from China across the frontier were to pay four-tenths less than the regular rate. To make the rate still lower it was subsequently agreed that the rates fixed by the Revised Tariff of 1903 were not to be followed, but that the rates of 1858 were to be adhered to.

The Anglo-Chinese Treaty of March 1, 1894 regulating trade between Burmah and Tibet made the provision that for six years from the ratification of the Convention "the duties levied

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on goods imported into China by these routes shall be those specified in the General Tariff of the Maritime Customs diminished by three-tenths, and that the duties on goods exported from China by the same route shall be those specified in the same Tariff diminished by four-tenths."

Taking advantage of the *most-favoured-nation* clause to wring from China privileges and concessions which other Powers are enjoying, Japan came to agreement with China on May 29, 1913 with regard to the trade between Manchuria and Korea, and secured the pledge that dutiable goods proceeding to Manchuria from Korea by rail were to pay only two-thirds of the regular rate and goods going to Korea from Manchuria were to receive similar treatment. However, there is a conditional clause in this agreement which states that: "Goods imported at Antung under the one-third duty reduction privilege and subsequently conveyed by rail to a non-Manchuria treaty port or the interior of the provinces of China Proper, or conveyed by sea to any place in Manchuria or China Proper,

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will have to make good to the Chinese Maritime Customs the reduction enjoyed before they will be accorded the ordinary Customs treatment given foreign imports in accordance with treaty stipulations."

DUTY-FREE AND CONTRABAND GOODS.

The export of arms and ammunition, salt, copper cash, rice and other grains, pulse and beancake is prohibited from certain ports. Contraband imports are specified in the Customs Tariff Schedules annexed to the various treaties as follows:

"Except at the requisition of the Chinese Government or for sale to Chinese duly authorized to purchase them, import trade is prohibited in all Arms, and Ammunition of War of every description. No permit to land them will be issued until the Customs have proof that the necessary authority has been given to the importer. Infraction of this rule will be punishable by confiscation of all the goods concerned. The import of salt, firearms (except with special permits) and morphia and opium (except for medicinal purposes) is strictly prohibited."

LIKIN

The following are not liable to import duty: Foreign Rice, Cereals, and Flour; Gold and Silver, both Bullion and Coin; Printed Books, Charts, Maps, Periodicals and Newspapers; samples in reasonable quantities, and certified for show and not for sale; Government Stationery for Consulates in China; Passengers' Baggage for bona fide private use; Circulars, etc., distributed gratis by mercantile houses; and private effects (not including Wines, Stores and Tobacco) of individual foreigners imported by themselves for their own personal use and not for sale, provided that the Customs authorities are satisfied that the articles in question fulfil these conditions.

LIKIN.

The exigencies of the government during the Taiping Rebellion compelled the authorities to devise new forms of taxation to meet the expenses for suppressing the rebellion and it was applied throughout all the provinces under the control of the Imperial Manchu Government during the year 1861.

TARIFF ARRANGEMENTS

The *likin* question was dealt with in Rule 7 of the Treaty of Tientsin which provided that in addition to the maritime duty, a fixed sum might be paid at the port or at the first *likin* station, whereupon a certificate should be given which could be presented at all other *likin* stations and exemption from all further transit dues be thus obtained. This rule was applicable to native products intended for shipment abroad as well as to goods from foreign countries for consumption in the interior of China, and the transit dues agreed upon were fixed at one-half of the regular import or export duty. It was further provided that foreign goods were to be exempt from *likin* and be free to go into any part of the interior of China without paying any further taxes once the transit dues of two and one-half per cent are collected, while in direct comparison, Chinese merchants are required to pay *likin* at every station.

Likin at first imposed no great burden upon trade for the duties amounted to only one-tenth of one per cent or one-thousandth of the value of the goods, but the rates were soon

LIKIN

increased and helped to form a barrier to the free movement of trade within the country. The rate is not uniform, but as a rule, the tax collected is three per cent at the station of departure and two per cent at each inspection station. The disadvantages of this *likin* is apparent when one realizes that goods may be taxed less than ten per cent within a province. but the duty may amount to fifteen or twenty per cent should the merchandise be transported through several provinces. The disadvantages may be enumerated thus:

1. There is no definite rule and *likin* is subject to arbitrary arrangements.

2. It is generally collected while in transit instead of at the place of consumption, thus helping to hinder trade between provinces.

3. Daily necessities are taxed and the burden falls heavily upon the poor.

4. The cost of collection is high.

5. This system gave rise to many irregularities, for in order to evade *likin* charges many

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merchants send their produce to the nearest foreign port and then ship it back to a treaty port, conveying it to its destination as if it were of foreign origin.

Foreigners may carry on import and export trade by paying at one of the open ports the tariff duty of five per cent *ad valorem* and they may send foreign goods to or bring native products from any inland place upon payment of the inland transit dues of two and one-half per cent. The right of manufacturing goods in the treaty ports and subjection to the same conditions under which the producers of native manufactured goods may carry on business in China was procured by Japan in the Treaty of Shimonoseki of 1895, and this privilege was extended to the nationals of the other Treaty Powers owing to the operations of the *most-favoured-nation* clause.

The Chinese Government had long before this recognized the evils of the *likin* system, and the Preamble to Article VIII of the Mackay Treaty of 1902 contained the following:

LIKIN

"The Chinese Government, recognizing that the system of levying *likin* and other dues on goods at the place of production, in transit, and at destination, impedes the free circulation of commodities and injures the interests of trade, hereby undertake to discard completely those means of raising revenue with the limitation mentioned in Section 8 (i.e., on goods not imported or intended for foreign export)."

In return for the abolition of *likin* the British Government was "to allow a surtax in excess of the tariff rates for the time being in force to be imposed on foreign goods imported by British subjects, and a surtax in addition to the export duty on Chinese produce destined for export abroad or coastwise."

It has already been pointed out that the terms of the Mackay Treaty never came into effect because it was conditional upon securing the unanimous consent of all the powers enjoying *most-favoured-nation* treatment in China, and the consent of the Powers could not be secured.

The *likin* question was again brought up at the Washington Conference, and the Chinese delegation declared that "*likin* is a handicap to

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the internal, as well as the external trade of China, and that the substantial classes of China favoured its abolition." However, the difficulty was that other sources of revenue must be found to compensate for the loss due to the abolition of *likin*, for the receipts from *likin* and other similar inland transit taxes were approximately \$54,777,000 during 1920. After considerable deliberation it was decided, in accordance with Article II of the Nine Power Treaty of 1922 relating to the Chinese Customs Tariff, that:

"Immediate steps shall be taken through a special Conference, to prepare the way for the speedy abolition of *likin* and for the fulfillment of the other conditions laid down in Article VIII of the Treaty of September 5, 1902 between Great Britain and China, in Articles IV and V of the Treaty of October 8, 1903, between the United States and China, and in Article I of the Supplementary Treaty of October 8, 1903, between Japan and China, with a view to levying the surtaxes provided for in those articles."

The Nationalist Government is determined to carry out China's part of the agreement at the earliest possible moment, for the proclama-

LIKIN

tion of July 20, 1927 declared that the following were to be completely abolished:—(1) *likin* of all descriptions; (2) all native customs duties whether with or without the fifty li radius of the open ports, or in the interior; (3) all principal and miscellaneous levies on goods in transit; (4) transit dues in lieu of *likin*; (5) coast trade duty; (6) duty on goods from one Chinese port to another; (7) destination tax, through not strictly a transit duty.

A translation of the proclamation issued by the Nationalist Government of the Republic of China on July 20, 1927, follows in part:

“Realizing that not only Chinese merchants, but foreign merchants as well, have suffered under the existing system of taxation to the detriment of the entire nation, the Nationalist Government has decided to eradicate this obnoxious fiscal regime, which has been in existence for the past two decades, thus realizing the earnest wish of Chinese and foreign merchants. The abolition shall take effect in the six provinces of Kiangsu, Anhwei, Chekiang, Fukien, Kwangtung and shall later be extended to the other provinces.”

CHAPTER IV

TARIFF SYSTEM ANALYSED

INEQUALITIES

1. Tariff autonomy is a sovereign right enjoyed by all independent states and its free exercise is essential to the development of trade and commerce. The treaty provisions which regulate the customs dues, transit dues and the foreign administration of the Maritime Customs hinders China's freedom of action and is an infringement of her administrative sovereignty as an independent nation. China is within her rights in demanding restoration of tariff autonomy which is an inherent right she had relinquished against her will.

2. The tariff fixed at the uniform rate of five per cent *ad valorem* is unscientific and out-of date because it does not differentiate between raw materials and manufactured products. Also, it fails to distinguish luxuries from necessities, levying five per cent on all commodities alike. The disadvantages are obvious, for machinery and similar pro-

INEQUALITIES.

ducts which are so essential to the economic welfare of China ought to pay a low rate, while luxuries such as cigars, cigarettes and liquors ought to be heavily taxed, for mitigating or preventing the evil effects on the morals and social habits of the people from the use of these luxuries as well as for raising more revenue.

3. The five per cent conventional tariff is a great hindrance to China's export trade and to her economic development because it lacks the element of reciprocity. When the Powers fixed the Chinese customs duties they inserted everything that was unfavourable to China. So that although every treaty power enjoys the advantage of having its wares imported into China at the exceptional low rate of five per cent *ad valorem*, Chinese goods are subject to the maximum rates leviable on entering any of the countries having treaty relations with China, which are in many cases sixty or seventy times the rate which she herself levies upon foreign imports. The injustice is apparent when we make a comparison. Japan taxes

TARIFF SYSTEM ANALYSED

Chinese tobacco at 355 per cent as far back as 1913; the United States levies a duty of from 30 to 35 per cent on manufactured Chinese silk; while Great Britain taxes Chinese tea at 350 per cent, despite the fact that she claims to be a free-trade country. China, on the other hand, cannot impose a higher tariff than five per cent, on all foreign imports.

4. There is no provision for retaliation in the Chinese tariff for it was prescribed by foreign Powers who had mainly their own interests at heart. France, Germany, Japan, the United States, Italy, Canada and Switzerland all have provisions for retaliation, but China's hands and feet are bound to such an extent that she has never applied retaliation to any country. When China's products are discriminated against in any foreign country she cannot retaliate by levying a higher tariff than five per cent on similar products coming to her shores from that country owing to the operation of the unequal treaties. Retaliation is important, for economists agree that through this

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means the repeal of the high duties or prohibitions complained of may be secured.

5. The conventional tariff of five per cent is inelastic and inflexible, and the rates cannot increase as the needs of revenue require. The rates were left unrevised from 1858 to 1902, or a period of 44 years, in spite of the constantly increasing prices which rendered the old rates inadequate; however, during 1918 she secured another revision, which meant a period of 16 years without change; and after waiting another five years China secured another revision to her tariff rates during 1923. It may be pointed out that the revisions were generally based upon the prices prevailing about four or five years previous to the revision, so that the five per cent *ad valorem* never really came to more than about four per cent effective. The Powers have never taken steps to revise the export tariff, which is still based on the rates fixed by the treaties of 1858.

6. The restrictions imposed by the Powers has meant a continual loss of revenue to the

TARIFF SYSTEM ANALYSED

Chinese Government, for in spite of the fact that the expenditure of the government is increasing by leaps and bounds, China has no power to raise the tariff in order to produce more revenue. In most modern countries the import duties yield from twenty to fifty per cent of the total income, while China receives only about six or seven per cent of her total revenue from the import duty. Furthermore, a large part of China's customs revenue is pledged to meet various foreign loans, and this again reduces the amount available for the needs of the government.

7. Shortage of revenue compels the government to tolerate the evils of *likin*, for it cannot be abolished without a compensating increase in the tariff. This arrangement compels the Chinese Government to discriminate against Chinese merchants in favour of foreign traders, because foreign merchants are enabled through treaty stipulations to be exempt from *likin* once a transit tax of two and one-half per cent has been paid, while Chinese merchants

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must pay the *likin* at every station which often amounts to fifteen or twenty per cent after it has passed through a few provinces.

8. Owing to the existence of the *most-favoured-nation* clause in the treaties made with foreign countries China cannot revise the tariff of her own accord, since the unanimous consent of more than a dozen treaty Powers must be secured. As each country naturally desires to promote its own commercial interests in China, and as the industries of these treaty powers vary in character and export different kinds of merchandise, conditions of a varied character are not infrequently attached by different powers to their consent to allowing an increase in the customs rates. Since unanimity is required, the dissent of one power is sufficient to defeat and upset a general arrangement agreed to by all the others.

9. The denial to China of the right to adjust her own tariff has produced serious consequences upon her economic development, for her industries are prevented from growing

TARIFF SYSTEM ANALYSED

owing to the unfair methods used by many foreign exporters to kill native infant industries. The leading countries of the world, such as the United States, England, France, Germany and Japan have "anti-dumping laws"; but when a foreigner dumps his products into China at a lower price than his home market price or the world market price, he cannot be checked because no "anti-dumping" clause has been provided in China. Economists agree that in changing from an agricultural to an industrial economy the infant industries must be protected from outside competition. The soundness of this theory has been proved by economic history. For shortly after her Declaration of Independence the United States discovered that her markets were being flooded by goods from Europe to the detriment of her infant industries, so she adopted the policy of protection. England is a free-trade country, but during the industrial revolution when labour-saving machinery was adopted and the factory system was introduced, she was highly protectionist. France practised protection

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except during the administration of Napoleon III. Likewise Germany was protectionist except during the period from 1865 to 1879 and after the Great War. Japan suffered restriction similar to China before the year 1894, but she gradually adopted the policy of protection by imposing a high rate on goods which can be produced in Japan and a lower rate on commodities which are not produced in Japan. In England and Canada there are Liberals and Conservatives who have divergent political views, but even the most liberal Liberal will not sanction a conventional tariff of only 5 per cent. So tariff autonomy is a question of life and death for China, for her infant industries are prevented from growing through the operation of the unequal treaties which prevent her from adjusting her own tariff.

10. Prior to the Revolution of 1911, the Customs Revenue was deposited in the Chinese Customs Bank under the supervision of the Chinese authorities, and the money was enabled to flow into the various channels of the market.

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to meet the commercial and industrial needs of each community so that there were few occasions for crises of a financial character. Since 1911 all the customs revenue has been deposited in foreign banks by the Inspector-General of Customs and cannot be withdrawn without his signature, so that the money was no longer accessible to the Chinese for legitimate purposes of trade and commerce.

BENEFITS OF AUTONOMY

Well-wishers of China have been impatient of the slow progress which the country had been making but they little realize that China is endeavouring to accomplish in a few decades an industrial revolution which required centuries in other countries, and her economic development is hindered considerably by the operation of the unequal treaties which must be removed before she can make that progress which the world is expecting. The various conditions which will accrue from tariff autonomy may be enumerated as follows:

BENEFITS OF AUTONOMY

1. Tariff autonomy will enable China to institute a system under which customs taxation will be thoroughly unified, and this will pave the way for the abolition of likin.

2. As already pointed out, China will be able to give a new impetus to her infant industries which will prosper under a system of a scientifically administered tariff. The exclusion of foreign goods will not be brought about, but the home industries of China will be protected from unfair competition.

3. The revised rates which will go into effect when tariff autonomy has been attained differentiates between luxuries and necessities, and the commerce and industries of China will be thus regulated.

4. The growth of China's industries which will accrue from tariff autonomy will enable the masses to enjoy many of the things which are now regarded as luxuries and the buying power of the Chinese will be considerably increased, thus giving a new impetus to foreign trade because there will be an increasing

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demand for many goods produced in foreign countries.

4. The early stage of China's industrial development renders impossible in the immediate future competition on a large scale with manufactured products from foreign countries, because for many years to come she will be occupied with meeting the demands of her vast population which she possesses, and tariff autonomy will not conflict with manufacturing the products which are now being imported from foreign countries.

6. The encouragement to the native industries which will directly result from the exercise of tariff autonomy will provide relief for the masses and the unrest and brigandage will be considerably reduced.

The opposition of many foreign traders to tariff autonomy is unfounded for they have nothing to gain. Attention may be called to the action of the Nationalist Government in levying a special tax on luxuries and imposing a surtax on general merchandise in spite of

BENEFITS OF AUTONOMY

strong opposition of foreign merchants, but contrary to the expectations of the latter, the volume of foreign trade proved to have exceeded former records. Of course, it is to be expected that those engaged in illicit traffic should oppose strenuously any measures at reform, while those who use unfair means to monopolize China's import trade have the impression that the withholding from China of tariff autonomy is the only means to perpetuate such a monopoly. But on the whole, tariff autonomy will be beneficial to the foreign traders, for it spells increased business.

TARIFF SYSTEM ANALYSED

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The opposition of many foreign traders to tariff autonomy is unfounded for they have everything to gain. Attention may be called to the action of the Nationalist Government in levying a special tax on luxuries and imposing a surtax on general merchandise in spite of the

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CHAPTER V

CHINA AWAKENED

CHINA BECOMES IMPATIENT

As a sovereign nation within the family of nations China does not even enjoy the elementary rights of a self-respecting country for she is deprived of the right to adjust her own tariff under the treaty limitations imposed by the Powers. The rapid development of industry and commerce within the last few decades has rendered the present tariff arrangement obsolete for it has contributed in no small measure to the economic enslavement of China, and for this reason the Chinese people have felt that they must secure the abrogation of the unequal treaties and have them replaced by new ones upon the basis of perfect equality and reciprocity. In spite of the fact that there is no generosity on the part of the Powers in conceding a right which belongs to China but which was taken from her by force, the Powers have taken advantage of every possibly technicality to delay the restoration of China's

CHINA BECOMES IMPATIENT

rights, and concessions to China are made unwillingly, quite often with unilateral conditions attached thereto. The procrastination on the part of the Powers in meeting the legitimate aspirations of China have more and more confirmed the suspicions of the Chinese people as to the real intentions of the Powers in making official promises from time to time which are not kept, and they are becoming more and more impatient of the delay in granting to China full administrative sovereignty, which is a matter of life and death to the progress and development of their country. The Chinese people are demanding action instead of fair words, and they will not be satisfied unless China secures the immediate and complete abolition of all special and unfair privileges enjoyed by foreigners, so that the relations between China and foreign countries may be based upon perfect equality and reciprocity.

The principle in International Law known as *rebus sic stantibus* provides that treaties may be terminated when the conditions under which

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they were made have so radically altered owing to changed conditions that they affect the independence, the welfare and the development of one of the contracting parties. This doctrine is as old as International Law itself and has been consistently upheld by international jurists. This principle was invoked by China when she entered the world war, and her abrogation of the treaties with Germany and Austria has been recognized by the other Powers. Additional encouragement was given to China by the success of Turkey in abrogating extraterritoriality and signing the Treaty of Lausanne. Furthermore, Russia had voluntarily given up all the concessions and extraterritorial privileges which her subjects have been enjoying and she had granted to China complete tariff autonomy.

The *most-favoured-nation* clause reacted most unfavourably towards China for it is unilateral, unconditional and unreciprocal; and the Powers may claim advantages enjoyed by

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some other Power but refuse to offer the same concession or consideration to China. As a result of this oppressive practice, China cannot undertake to make far-reaching reforms without securing the unanimous consent of all the treaty Powers, and since uniformity of agreement cannot be secured from the Powers, China is becoming tired of entering upon protracted multilateral conferences where only unctuous words and empty promises are uttered. The reluctance of the Powers has contributed in no small measure to arousing the spirit of Nationalism among the Chinese people, and there is now a widespread and increasing determination to secure that equality of status among the family of nations which is due to China on account of her huge geographical area, her large population and her great potentialities.

THE PARIS PEACE CONFERENCE

China joined the Great War on the side of the Allies in order to help the common cause, and when the Versailles Conference convened at Paris during 1919 to discuss peace measures

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China felt that she had a right to air her grievances. The following points were brought forth by the Chinese delegation:

"1. Any favourable treatment must be reciprocal.

"2. A differential scale must be established so that luxuries should pay more and raw materials less than necessities.

"3. The basis of the new conventional rate for new necessities must not be less than twelve and a half per cent in order to cover the loss of revenue resulting from the abolition of *likin* as provided for in the commercial treaties of 1902-1903.

"4. At the end of a definite period to be fixed by new treaties, China must be at liberty not only to revise the basis of valuation, but also the duty rate itself.

"In return for such concessions, China is willing to abolish the undesirable tax of *likin* so that everything that tends to hinder the development of trade may be removed once for all.

"The Chinese Government does not intend to adopt a system of protective tariff or to overtax trade, but simply demands the revision of the present tariff because it is unfair, unscientific, out of date, and because it does not meet China's economic needs. The prolonged unfavourable balance of trade and the con-

THE PARIS PEACE CONFERENCE

stant increase of national debt have created serious financial and economic stress which can only be relieved by consolidating the system of taxation and encouraging the export trade, which will in turn benefit the importers by increasing the people's purchasing power. This reform has long been overdue, and in placing China's case before the Peace Conference the Chinese government have behind them the voice of the whole country. It is to be hoped that the friendly powers will restore to China the same fiscal right as is enjoyed by all independent nations so that the Chinese people may develop their national resources, and become better consumers of the world's commodities, and contribute their share to the progress and civilization of mankind."

Although the claims of China were ignored by the Allied Powers at the Paris Peace Conference, tariff autonomy was recovered from both Germany and Austria-Hungary. Article 128 of the Treaty of Peace with Germany explicitly stated that: "Germany renounces in favour of China all benefits and privileges resulting from the provisions of the final Protocol signed at Peking on September 7, 1901, and from all annexes, notes and documents supplementary thereto." Under this treaty, China

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was no longer bound to grant to Germany the privileges and advantages which she allowed under the terms of the Chinese Customs Tariff Agreement of 1902. Tariff autonomy was also recovered from Austria and Hungary, while Germany in the Sino-German Agreement of May 20, 1921 again made clear her attitude with respect to granting tariff autonomy to China: "The two High Contracting Parties recognize that all the matters concerning tariff are regulated solely by the internal legislation of each of them."

RESULTS OF WASHINGTON CONFERENCE

China was not discouraged by her failure at the Paris Peace Conference and she again brought up the matter of obtaining tariff autonomy when the Conference on the Limitation of Armaments convened at Washington on November 12, 1921. The following proposals were brought forth by the Chinese delegation:

"1. The present import duty of 5 per cent shall be forthwith increased to 12 $\frac{1}{2}$ per cent.

RESULTS OF WASHINGTON CONFERENCE

"2. China agrees to abolish likin on Jan. 1, 1924, and the Powers agree to put in force on the same day the levy of certain surtaxes on import and export duties provided for in the treaty of 1902 with Great Britain and in that of 1903 with the United States and that of 1903 with Japan; and the Powers further agree to the levy of an additional surtax to be put in force on the same day for articles of luxury over and above the import tariff rate of 12½ per cent effective. In all other respects, the undertakings of China and the Powers herein stipulated are to be carried out in accordance with the terms of the Treaties above mentioned.

"3. Within five years from the date of agreement, a new customs regime shall be negotiated and concluded by treaty on the basis of a maximum rate of 25 per cent *ad valorem* for any article imported into China, within which rate China is to be free to regulate and arrange the import tariff schedule. This new regime is to be in force until the end of the period referred to in paragraph 5 below.

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"4. The reductions now applicable to the customs duty collected on goods imported into and exported from China by land shall be abolished.

"5. The treaty provisions between China and the Powers by which the levy of customs duties, transit dues and other imposts is regulated shall be abrogated at the end of 10 years from date of agreement.

"6. China voluntarily declared that she is not contemplating to effect any fundamental changes in the present administration of customs administration, or to disturb the devotion of the customs revenue to the services of the foreign loans secured thereon."

During the discussions there was a great deal of opposition from the Japanese delegation, but after considerable haggling the Nine Power Treaty relating to the Chinese Customs Tariff was drawn up with the following provisions:

"The United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands and Portugal:

RESULTS OF WASHINGTON CONFERENCE

“With a view to increasing the revenues of the Chinese Government, have resolved to conclude a treaty relating to the revision of the Chinese customs tariff and cognate matters.....

“ARTICLE II. Immediate steps should be taken through a Special Conference, to prepare the way for the speedy abolition of *likin* and for the fulfilment of the other conditions laid down in Article VIII of the Treaty of September 5, 1902, between Great Britain and China, in Articles IV and V of the Treaty of October 8, 1903, between the United States and China, with a view to levying the surtaxes provided for in these Articles.

“The Special Conference shall be composed of representatives of the Signatory Powers, and of such other Powers as may desire to participate and may adhere to the present Treaty, in accordance with the provisions of Article VIII, in sufficient time to allow their representatives to take part. It shall meet in China within three months after the coming into force of the present Treaty, on a day and at a place to be designated by the Chinese Government.

“ARTICLE III. The Conference provided for in Article II shall consider in the interim provisions to be applied prior to the abolition of *likin* and the fulfilment of the other conditions laid down in the Articles of the

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Treaties mentioned in Article II; and it shall authorize the levying of a surtax on dutiable imports as from such date, for such purposes, and subject to such conditions as it may determine.

"The surtax shall be at a uniform rate of $2\frac{1}{2}$ per cent *ad valorem*, provided, that in cases of certain articles of luxury which, in the opinion of the Special Conference, can bear a greater increase without unduly impeding trade, the total surtax may be increased but may not exceed 5 per cent *ad valorem*.

"ARTICLE IV. Following the immediate revision of the customs schedule of duties on imports into China, mentioned in Article I, there shall be a further revision thereof to take effect at the expiration of four years following the completion of the aforesaid immediate revision, in order to insure that the customs duties shall correspond to the *ad valorem* rates fixed by the Special Conference provided for in Article II.

"Following this further revision there shall be, for the same purpose, periodical revisions of the customs schedule of duties on imports into China every seven years, in lieu of the decennial revision authorized by existing treaties with China.

"In order to prevent delay, any revision made in pursuance of this article shall be affected in accordance with rules to be prescribed by the Special Conference provided for in Article II."

RESULTS OF WASHINGTON CONFERENCE

The Washington Conference did not grant tariff autonomy to China because the Customs Treaty merely made provisions for the abolition of *likin* and the imposition of a surtax. Keeping in mind China's claim for complete tariff autonomy, the Chinese Delegation made the following statement.

"In view of the inherent difficulty and injustice of the present regime, and of the wholesome and desirable effect which restoration of tariff autonomy is sure to have upon the trade and economic development of China, as well as upon the evolution of her fiscal system, the Chinese delegation feel in duty bound to declare that though this committee does not see its way clear to consider China's claim for the restoration of her tariff autonomy, it is not their (the Delegation's) desire, in assenting to the agreement now before you, to relinquish the claim, on the contrary, it is their intention to bring the question up again for consideration on all appropriate occasions in the future."

The Shanghai Tariff Conference of 1922 was held merely to bring the tariff to an effective five per cent, in accordance with

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Article I of the Nine Power Treaty relating to the Chinese Customs Tariff:

“That the customs schedule of duties on imports into China adopted by the Tariff Commission at Shanghai on December 19, 1918, shall forthwith be revised so that the rates of duty shall be equivalent to 5 per cent effective, as provided for in the several commercial treaties to which China is a party.”

The Powers then allowed the matter to rest for some years, and in the meantime, the patience of the Chinese people had reached the breaking point for the Powers had not taken steps to grant to China the right to levy the surtaxes in accordance with the Washington agreement. The never-to-be-forgotten incident of May 30, 1925 when an English police inspector ordered his men to fire point blank at defenseless Chinese students in Shanghai added fuel to the flames of resentment, and in spite of distorted reports by the foreign press, Nationalism entered upon a new phase for the Chinese will not rest satisfied unless the unequal treaties are abrogated.

THE TARIFF CONFERENCE

The new turn of events in China compelled the Powers to sit up and take notice, and the Peking Tariff Conference met on October 26, 1925 after a circular note had been sent by China to Powers on August 18, 1925, that "in connection with the said (Nine Power Customs) Treaty it may be recalled that on January 5, 1922, at the seventeenth meeting of the Committee on Pacific and Far Eastern Questions of the Washington Conference the Chinese delegation in giving assent thereto declared that that it was their intention to bring up again the question of the restoration to China of her tariff autonomy for consideration on all appropriate occasions in the future. In pursuance of the above declaration the Chinese government proposes that the said question shall be also brought up at the forthcoming conference and expects that some arrangement will be made to remove the tariff restrictions hitherto imposed on China."

China does not intend to impose hardships upon the Powers when tariff autonomy is

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restored to her and this point was emphasized by Dr. C. T. Wang:

“The Chinese Government proposes to tax luxuries 20 to 25 per cent; non-necessaries 17½ per cent; ordinary articles 12½ per cent; and necessities, 5 per cent. Thus the average rate is about 11 per cent only. In making this average, there is a big assumption that the luxuries, the non-necessaries, the ordinary articles, the necessities and the exempted articles will each come to one-fifth of the volume of the imports, while as a matter of fact, ordinary experience shows that the biggest volume of imports consists in necessities, which are taxed at 5 per cent. The fact should be well borne in mind that in fixing this National Tariff, which is now applied to countries not enjoying the conventional duty of 5 per cent, China is free to make it as high as she likes. But she is not so foolish as to kill the goose that laid the golden egg, and like all other nations in the world, she is farsighted enough not to kill her foreign commerce by a high tariff wall. The rate of National Tariff, which is likely to be the rate that China would adopt upon the recovery of her tariff autonomy, is quite reasonable—much more so when it is compared with the duties imposed upon luxuries by the other countries,

“It cannot be too strongly emphasized that China wants the restoration to her of absolute tariff auto-

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onomy, for, as has been pointed out at the very beginning, the power of taxation is a very important part of the sovereignty of a state, and as China is a sovereign state, she cannot and should not be deprived of this power any longer.

At the opening session of the Conference the Chinese delegation presented the following proposals as a basis for discussion:

1. That the Powers agree to the removal of the tariff restrictions contained in their existing treaties with China, thus restoring tariff autonomy to China.

2. That China abolish *likin* a tax upon goods in inland transit, simultaneously with the enforcement of China's national tariff law, which would take effect not later than January 1, 1929.

3. That previous to the enforcement of the national tariff law, an interim tax of 5 per cent be levied on ordinary foods, a 30 per cent tax on certain luxuries, including wine and tobacco, and a 20 per cent tax on certain other luxuries, in addition to the present 5 per cent ad valorem tariff.

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4. That the collection of these interim taxes begin three months from the date of the signature of the agreement reached by this Conference.

5. That decisions relative to the above four articles be carried into effect from the date of the signature of the agreement.

It must be remembered that the scope of the Conference provided by the Washington Agreement was a limited one because it was merely to prepare the way for the abolition by China of the *likin* taxes and the imposition of surtaxes of a limited amount when that abolition is achieved. So in the invitation which she issued to the Powers, the Chinese Government stated explicitly that the scope of the Conference should be broadened to consider the question of granting complete tariff autonomy to China. The Conference adjourned without making any final agreement, but the Powers were persuaded to recognize China's right to enjoy tariff autonomy, agreed to remove tariff restrictions contained in the existing

POLICY OF THE KUOMINTANG

treaties, and placed no objections to the going into effect of the Chinese national tariff law on January 1, 1929. In the same resolution China declared that *likin* shall be abolished simultaneously with the enforcement of the Chinese National Tariff Law", and that the "abolition of *likin* shall be effectively carried out by . . . January 1, 1929."

POLICY OF THE KUOMINTANG

During October, 1926, the Canton Government decided to levy a $2\frac{1}{2}$ per cent surtax and the following notification was sent to the representatives of the Powers having trading relations with Kwangtung and Kwangsi provinces:

"1. The Ministry of Finance is hereby instructed to levy a temporary internal tax on the consumption or the production of such articles as are the subject of trade between the two Kwang provinces and the other provinces in China and foreign countries.

"2. The rate of taxation shall be equivalent to half the usual maritime or native customs tariff on general articles, and to a full tariff on articles of luxury, such as silk, silk stuffs, toilet articles, fur and

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leather, articles of decoration, gems and precious stones and similar goods. Cigars, cigarettes, imported wines, kerosene and gasoline, which are the subject of other taxes are exempt from this tax.

"3. The Ministry of Finance, for purposes of convenience, may collect such taxes at or near the various Maritime and native Customs Barriers, and is instructed to make detailed regulations governing the collection of the said tax.

"4. Any person selling or buying or otherwise dealing with articles on which the said tax has not been paid, shall be liable to a term of imprisonment not exceeding three years, or a fine equivalent to ten times the value of the article or articles which shall also be confiscated.

"5. This mandate shall come into effect on the 11th of October, 1926."

This internal tax is to be distinguished from the customs duties levied by the Maritime Customs, but it served to bring forth a storm of protest from foreign merchants, and the letter of Dr. Felix B. M. da Horta, the Portuguese Consul-General at Canton, to the Acting Minister for Foreign Affairs of the Canton Government on November 8, 1926 is worth nothing:

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"In connection with Your Excellency's despatch of October 6th, 1929, I have the honour to inform you that as Senior Consul at Canton, I have been directed by the Senior Minister of the interested Powers represented at Peking, to communicate to your Excellency the following protest.

"In view of levying by Canton authorities of certain taxes on foreign trade, the Diplomatic representatives at Peking, of the Powers concerned, declare that they cannot recognize the legality of this measure which is in direct violation of Treaties."

In reply to this letter Mr. Eugene Chen, Acting Minister for Foreign Affairs, wrote:

"In order to avoid misunderstanding, and to assist to a right perception of the new realities of the national situation resulting from the extension of Nationalist authority over the greater part of China, I have the honour to return the enclosed letter, dated November 5th, and transmitted through the post, which purports to be a protest communicated by 'The Senior Consul at Canton' by direction of the 'Senior Minister of the interested powers represented at Peking' who declare that they cannot recognize the legality of the internal taxes authorized by the 'Canton Authorities' on consumption and production of goods within the Liang

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Kwang Provinces on the ground that same are 'in direct violation of the Treaties.'

"My government does not recognize the existence of the 'Senior Minister of the interested Powers represented at Peking' - who lacks juridical sanction - nor are the status and the relations of the same Powers vis a vis my Government regulated on a basis which can properly entitle them to raise the question of a 'direct violation of Treaties.'

"I have the honour to add that my Government is ready to discuss this and other questions as and when all or any of the Powers represented at Peking realize that national power and authority has long ceased to be exercised at Peking, and that the revolutionary and constructive forces of Nationalist China have now transferred this national power and authority to my Government."

On February 1, 1927, the 2½ per cent surtax came into effect. The British Government thought it would serve its interests to advise British nationals to pay the surtaxes; but the Japanese Government repeatedly protested against their collection; while other treaty Powers adopted no definite attitude and did not attempt to interfere when their nationals paid the taxes.

POLICY OF THE KUOMINTANG

In accordance with the Kuomintang policy of abrogating the treaties which are due for revision, new treaties on a basis of equality and reciprocity granting complete tariff autonomy to China have recently been concluded with the United States, Germany, Great Britain, Belgium, Norway, Sweden, France, Italy, Spain, Denmark and Portugal, and treaties with other countries are in process of negotiation.

The policy of the Kuomintang, which is the driving force behind the National Government, may be summed up in the words of Mr. T. V. Soong, Minister of Finance:

“The first principle of taxation for any Government is that a tax once levied on a commodity shall be applied without respect to persons. There have been many suggestion that we tax goods manufactured by Chinese companies at one rate and goods manufactured by foreign companies at another rate. The Ministry of Finance has resisted such proposals as inequitable, as harmful to trade and as an impairment of the very object of the tax which is to raise revenue for the Government without destroying industry.

“Native industries should be encouraged and stimulated by every honourable means so as to provide for our own industrial development and the improvement of the standard of living of our own people.

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"It is our object to eliminate leakage in the collection of taxes, to cut down the overhead, to reduce smuggling to a minimum and to make it possible for the Government to receive the whole of the amount collected from the people. This is not easy. In the collection of certain taxes, we have been able to eliminate leakage completely; in other taxes, we have been far from successful. There are many elements that enter into this. For instance, with respect to the tobacco tax, we are able to eliminate leakage in collection because the large companies co-operate with us and there are comparatively few small companies.

"We propose to consolidate taxes, so that throughout China one tax will be paid on all merchandise which will be free to travel everywhere without being taxed again. Business men have always denounced *likin*, and Chinese and foreigners alike have always insisted that although *likin* is detrimental to trade, it cannot be abolished because the provinces needed the revenue for themselves. The Ministry of Finance hopes to solve this problem by consolidating the taxes on most commodities. This means that the Ministry will collect a single tax and that the goods will pass freely on the Ministry's documents or stamps, and provisions will be made so that the provinces will not lose any of their revenues as a result of this consolidation. We have completely and successfully achieved such a consolidation with regard to cigarettes and petroleum.

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We expect to extend the consolidated tax on those commodities to all provinces, but where they are being applied, conditions are beneficial alike to the National Government, the provinces, and the distributors and consumers.

'It is quite possible that certain Chinese and foreign merchants may not understand that consolidation is advantageous to them and I would suggest to those who oppose all innovations, that they study this problem very carefully before they register their complaints. The consumer eventually pays the tax and the merchants' problem is not so much that the rate should be at a certain figure as that there should be no confusion, no multiple taxation, no rebates to his competitors. Our plan, consolidation—one tax on one commodity—will produce system and evenness. By supporting this system, the Chinese and foreign merchants can assist the Ministry of Finance to end confusion in taxation.'

It is interesting to note that the Maritime Customs Revenue for 1928 amounted to 28,333,000 Haikwan Taels, which is an increase of 13,597,000 Haikwan Taels as compared with the collection for the year 1927. This is conclusive proof that the exercise of tariff autonomy and the resulting encouragement to trade and commerce will place the Chinese government on a sounder financial basis.

CHINA AWAKENED

February 1, 1929 was set as the date for the attainment of Tariff Autonomy by China. In this connection, the following statement of President Chiang Kai-shek is of interest:

"Of course, the new schedule is to remain in force for the transitory period of one year after which it is reasonable to expect that we will enjoy tariff autonomy in full measure. When that time comes we may look forward to full Governmental independence and freedom. Although the new-arrangement is not entirely satisfactory from the revolutionary point of view, what our late leader fought for is now realized."

U. S. GOVERNMENT DOCUMENTS

(FEDERAL, STATE AND CITY)

BY

J. I. WYER

MANUAL OF LIBRARY ECONOMY
CHAPTER XXIII

Revised

American Library Association
86 E. RANDOLPH ST., CHICAGO
1923

A SELECTED LIST OF A.L.A. PUBLICATIONS

BOOK LISTS

- A.L.A. Catalog 1912-1921. 1923. Cloth, \$4.
The Booklist. 10 numbers a year. Subscription price, \$2.
Booklist books (of current year). Issued about March 1.
Paper, 45 cents.
Graded list of books for children. Compiled by a committee of
the N. E. A. 1922. Cloth, \$1.25.
The hospital library. Compiled by E. Kathleen Jones. 1923.
Cloth, \$2.25.
New guide to reference books. Isadore G. Mudge. 1923.
Cloth, \$3; interleaved, \$3.50.
Periodicals for the small library. Frank K. Walter. 4th ed.
1924. Paper, 50 cents; cloth, 75 cents.
Plays for children. An annotated index. Alice I. Hazeltine.
1921. Cloth, \$1.50.
Viewpoints in travel. Josephine A. Rathbone. 1919. Paper,
60 cents.
Viewpoints in biography. Katherine Tappert. 1921. Paper,
60 cents.
Viewpoints in essays. Mariou Horton. 1922. Paper, 60 cents.
Viewpoints in modern drama. F. K. W. Drury. 1925. Paper,
75 cents; cloth, \$1.25.

LIBRARY ECONOMY

- Essentials in library administration. Revised by Ethel F. Mc-
Collough. 1922. Paper, 50 cents.
Mending and repair of books. Margaret W. Brown. Revised
by Gertrude Stiles. 1921. Paper, 25 cents.
School library service. Anne T. Eaton. 1923. Paper, 35
cents.
County library service. H. C. Long. 1925. Cloth, \$1.75.
The library and the community. J. L. Wheeler. 1924. Cloth,
\$3.50.
Reasonable budgets for public libraries and their units of ex-
pense. O. R. H. Thomson. 1925. Paper, 50c; cloth, 80c.

CATALOGING

- Catalog rules: author and title entries. American ed. 1908.
Cloth, \$1.
Cataloging for small libraries. Theresa Hitchler. Revised
ed. 1915. Cloth, \$2.25.
List of subject headings for use in dictionary catalogs. 3d ed.,
revised by Mary J. Briggs. 1911. Cloth, \$3; interleaved,
\$4.
Subject headings for use in dictionary catalogs of juvenile
books. Margaret Mann. 1916. Cloth, \$1.75.

Covers reprinted in 1925.

2;55:5.73.N2
F2

XXIII

U. S. GOVERNMENT DOCUMENTS*

J. I. WYER

New York State Library

General (matters common to all documents)

Definition

Government documents and libraries

Knowledge of government necessary

Issue and distribution

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Manner of distribution

Library records

Federal documents

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Superintendent of Documents

Issuing offices

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Arrangement

Designated depository libraries

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Title entry

Personal entry

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Lending documents

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Check-lists and indexes

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Check-lists and indexes

Bibliography

* This publication is a consolidation (rewritten and brought to date) of my *U.S. Government documents in small libraries*, editions 3 and 4 of which were issued in 1910 and 1914 by the American Library Association as *Library Handbook* no. 7, with *Government*

GENERAL

Definition

A "government document" (and this term is better than the too commonly used "public document") is any paper, map, pamphlet, or book, manuscript or printed, originating in, or printed with the imprint of, or at the expense and by the authority of any office of legally organized government.

Manuscript government documents, commonly called archives, are the original current records of government business and are the unique source materials of history. Letter-files, pay-rolls, tax lists, office records, minutes of boards and committees are examples of archive material. In some European countries, American states, and a few cities, these manuscript archives are highly organized and administered with a liberality and an intelligence commensurate with their importance. Archives or manuscript government documents are continually being transformed into printed government documents, as when the Library of Congress printed the Journals of the Continental Congress and the New York State Library printed the Minutes of the Colonial Council of that state.

This chapter is concerned solely with American printed government documents, for it is only printed documents that are generally available for library use.

Government Documents and Libraries

In this country, libraries are the chief public depositories of the printed documents of the *national* government. In

documents (state and city) issued in 1915, as Chapter 23 of the A.L.A. manual of library economy.

It remains a brief, elementary statement of a few essential facts nothing more, touching the nature, acquisition, organization and use of American federal, state and city publications, and is addressed specially to small and medium sized libraries.

Ruth Montgomery of the New York State Library has helped in the revision.

J. L. W.

Aug. 1922.

nearly every commonwealth, law or usage provides that libraries shall receive some or all *state* documents. *Cities*, too, are large publishers and, because it is seldom effectively done elsewhere, it becomes the duty of every library to preserve the printed documents of its own local government, to know something about the documents of other cities and how to get and use such as will be helpful.

There are some large libraries that collect and organize for reference use all the documents of each of these three kinds. There are more libraries that do this for a selection from them. There is no library so special in aim or so small that it is not interested in some of them. It is only in libraries that government documents are collected and cared for in any systematic, comprehensive, and intelligent way, looking toward their fullest present and future availability for consultation. The casual or the serious student who wishes to consult more than one or two current documents turns from habit and indeed of necessity to the nearest library. Nowhere but in libraries is any serious thought given to the acquisition, arrangement, cataloging, and research use of government documents, and that this treatment of them may be facilitated both national and state governments offer special privileges to libraries. As government documents constitute a very special kind of printed matter, a kind, too, which is constantly growing in volume and importance, so they present peculiar problems to every library in the technical and bibliographical operations which are necessary to make them most useful. These problems will vary with the different types and sizes of libraries, such as the college library, the large and small public library, the special library (law, medicine, insurance, etc.), the high-school library; they will vary with the different kinds of documents; as national, state, and local, and their varying

appropriateness to the different kinds of libraries; to some extent they will vary in different parts of the country because of local industries, natural resources, geography, or geology.

Knowledge of Government Necessary

To know government documents it is necessary to know something about the machinery and operations of government, the more the better; and the official and necessary background for an intelligent understanding of the nature, content, and significance of these three classes of documents and the ways in which libraries organize them for use is best to be had from a knowledge of the organization and conduct of the government of the village, city, state, or nation whose documents are in hand.

There is a type of book which gives this information. For the city it is the Manual of the Common Council, for the state it is the Legislative Manual, commonly called the Blue or Red Book, for the nation it is the Congressional Directory.

These are neither formal treatises on the theory of the government of state, city, or nation, nor discussions of the limits of its powers, but merely bare statements of its administrative activities with a list of the different offices and departments of the government, their duties and personnel. They are books prepared year after year for the information and reference use of the members of city councils, state legislatures, and the national Congress.

In working with government documents, the knowledge of the machinery of organized government is important from every aspect.

In cataloging, it frequently supplies the official name of the issuing office with information as to changes in the names

and affiliations of government bureaus, the perplexing genealogy of government offices.

In classification, it describes the work of each issuing department, commission, or office, hence giving a clue to the contents of the book in hand.

In reference work, it tells which government departments or offices do work on specific subjects, for example, which state has a department regulating railroads, telephones, or life insurance, and, if no special department exists, which state office performs comparable duties. Table I presents in comparative, tabular form the usual government activities of nation, state, and city in this country.

TABLE I

COMPARATIVE POLITICAL ORGANIZATION OF NATION, STATE, AND CITY WITH PARTICULAR RELATION TO DOCUMENT-ISSUING OFFICES

	Nation	State	City
Constitutional law	Constitution never revised and seldom amended	Constitution often revised in conventions which publish their Debates and Proceedings	Charter often revised and amended by state legislature
Executive	President Messages Proclamations Orders	Governor Messages Proclamations	Mayor Messages Commissioners City manager Common council Aldermen Selectmen Manual Journals—Minutes—"City Record" Ordinances
Legislative	Congress Directory Debates (Congressional Rec.) Journals Committee reports Hearings Bills Statutes	Legislature General Court (Mass.) Manual or "Blue Book" Journals Laws (Session laws)	
Judicial	Federal courts Reports	Supreme Court Court of Appeals (N.Y.) Reports	Municipal courts Decisions rarely reported in print
Administrative offices ... of which issue reports	<i>Executive Departments—</i> State	Secretary of State	City clerk
	Treasury	Treasurer	Treasurer
	War	Adjutant-General	Police department
	Navy	National Guard	
	Justice	Attorney-General	Attorney or Corporation counsel
	Interior	Superintendent of Public Instruction or Commissioner of Education	Superintendent of schools
	Post-Office		
	Commerce		
	Agriculture	Commissioner of Agriculture	Park department
	Labor	Commissioner of Labor	
	<i>Other typical agencies—</i> Library of Congress	State Library	Public Library
	Government Printing Office	Library Commission State Printing Commissioner or Board	
	Civil Service Commission	Civil Service Commission	Civil Service Commission

Issue and Distribution.

Before considering separately, and in some detail, city, state, and national documents, it is well to note peculiarities which are common to all three in (a) the form of their issue and (b) the manner of their distribution.

a) *Form.*—Copying the long-standing practice of the national government (from which since 1908 it has broken away), many city and nearly all state documents of the sort known as congressional or legislative documents—the reports of officials or departments made to the chief legislative body—are issued in two forms, a first or “department” edition and a later or “collected” edition. The “department” edition (printed first) is the most numerous and is used for general distribution, and when it is printed a smaller number of additional copies is laid aside for binding in the “collected” edition which is issued annually by cities and, oftenest, biennially by states to correspond with their legislative sessions. Within 5 years, 2 or 3 states have abandoned their “collected” editions. This is a pity because it is only in this form that even approximately complete sets of state documents easily find lodgment, desirable publicity and preservation in the principal libraries of the land.

This “collected” or definitive edition is distributed more formally to libraries, other cities and states, public officers, etc., and this distribution is usually provided for by law. This edition is usually uniformly bound in leather, often the documents in it are numbered serially, and the set provided with a common title-page, table of contents, and index.

These “collected” editions are seldom bibliographically satisfactory, being made up usually by a lowest-bidder printer, a temporary political official who is careless or indifferent or an ex-officio board chiefly interested in letting a

printing contract. To be satisfactory for library use such a "collected" edition should be

1. Complete; omitting none of the regular annual documents.

2. Arranged in a single series, each document numbered (preferably with the same number each year for the perennial reports, as in Massachusetts), and the documents grouped, roughly at least, by subjects, as Educational, Financial, Charitable, Public Works, etc.

3. Furnished with a series title-page and table of contents in each volume, showing on title-page the title of series, the period covered, number of volumes, compiler, place and date of publication, printer's name, and on the table of contents a numerical list of all documents forming the set with the number of volume in which each appears.

4. Each separate document of over thirty or fifty pages should have its own detailed index.

5. Each volume should have at the end a thoroughly good index to the entire set or series.

6. Bound in buckram or canvas and each volume lettered on the back with the name of the city or state, date, contents of volume, and title of series with number of volume or documents.

b) Manner of Distribution.—The distribution of all government documents, national, state, and city, is illogical, unsystematic, and wasteful. Too many people have a hand in it—congressmen, legislators, issuing offices, state and city libraries, various city officers, etc., all send out documents with no checks on each other. It lacks centralization. It is worst in our cities and best in the distribution of our national documents tho the federal statute touching this matter sorely needs revision. There is little well-considered legislation governing it in either cities or states, and such scattered pro-

visions of law or ordinance as affect the distribution of documents are fortuitous and unimportant. In cities the city clerk is usually charged by law with the custody and distribution of official documents, but the work is done perfunctorily and documents desired can usually be had more surely from the issuing office. In states the law usually lays it upon the secretary of state, and because it has usually been indifferently performed in that office, the state library has latterly and often informally come to be the chief agent for the state in such matters.

This tendency to lodge official distribution of state documents with the state library seems to be a proper and commendable one. It is better acquainted with the bibliography of such documents than any other state agency. The continuity of administration insuring necessary care in compiling, continuing, and revising mailing lists is greater than in any other state department. It would be well if in all states laws could be enacted which would definitely fix the distribution of state documents as a function of the state library.

Library Records

An accurate record of the library's document holdings is desirable. This record may be its shelf-list, its author catalog, or a check-list, preferably on cards. In only the very largest, most highly specialized libraries should all three be required. The most useful of these three records for the small library is the shelf-list, which should suffice in all libraries up to twelve or fifteen thousand volumes. Libraries larger than this will begin to feel the need of an alphabetical list of serials to supplement the classed order of the shelf-list and this will probably take the form of author cards in the public catalog. Here again the form of the card may best resemble a check-list card or the card used to catalog or note

the receipt of periodicals and other serials; a card which emphasizes the record of the single volume rather than the library's total holding. Standard-sized cards like those shown below can be used for both these records.

TABLE II
U. S. EDUCATION BUREAU
ANNUAL REPORT

1871	1881	1891	1901	1911
1872	1882	1892	1902	1912
1873	1883	1893	1903	1913
1874	1884	1894	1904	1914
1875	1885	1895	1905	1915
1876	1886	1896	1906	1916
1877	1887	1897	1907	1917
1878	1888	1898	1908	1918
1879	1889	1899	1909	1919
1880	1890	1900	1910	1920

NEW YORK (STATE). MUSEUM
BULLETIN

51	61	71	81	91
52	62	72	82	92
53	63	73	83	93
54	64	74	84	94
55	65	75	85	95
56	66	76	86	96
57	67	77	87	97
58	68	78	88	98
59	69	79	89	99
60	70	80	90	100

The above card may also be single-spaced so as to hold 100 numbers.

KANSAS. INSURANCE SUPERINTENDENT
ANNUAL REPORT

1871	1881	1891	1901	1911
1872	1882	1892	1902	1912
1873	1883	1893	1903	1913
1874	1884	1894	1904	1914
1875	1885	1895	1905	1915
1876	1886	1896	1906	1916
1877	1887	1897	1907	1917
1878	1888	1898	1908	1918
1879	1889	1899	1909	1919
1880	1890	1900	1910	1920

As both the shelf-list and the catalog are standard records, only the check-list will be described here. Of course the easiest and a wholly satisfactory way is to check all the library's holdings against some reasonably accurate printed list, noting the variations on the margin or on interleaves. The third edition of the Check-List of United States Government Documents, the detailed lists of collected state documents in the prefaces to the different volumes of Miss Hasse's Index, the list of Wisconsin documents issued a few years ago by the state library commission are examples of check-lists which easily may be used thus. There are few such, however, and a library maintaining a separate and extensive documents department will prefer the specially printed cards shown above, the peculiar uses of which are quickly apparent. Such a check-list, which is fully described in *Public Libraries*, 1910, 15:181-84, exclusively for the library staff, will be freely annotated with the bibliographic eccentricities which abound in government documents.

FEDERAL DOCUMENTS

Acquisition

Libraries may get the printed documents of the United States Government at first hand from

The office of the Superintendent of Documents (a part of the Government Printing Office).

The issuing Department, Bureau or Office (see p. 14).
Congressmen (see p. 15).

Superintendent of Documents.—Under present laws the Superintendent of Documents sends documents to libraries in the three following ways. (No documents are sent from this office that have not been asked or ordered.)

1. *To depository libraries.* These may be

I Designated depositories. Now about 475 in number including all state and territorial libraries; the libraries of the 67 land grant colleges*; one library for each congressional district to be designated by the Representative from that district; and one library in any part of the state to be designated by each Senator. The designated depositories are chiefly college and reference libraries and the larger public libraries. These libraries are allowed to select from a list of the principal serial and current government publications, those which they wish to receive regularly. Once a designated depository, a library cannot be removed from the list except it ceases to exist or voluntarily asks to be dropped.

Until 1908 the volumes sent to depository libraries were bound in sheep and formed what is called the "Sheep-bound set." Since 1908 the binding has been in light colored buckram and the serial numbers have been omitted from the lettering.

* The latest printed list of designated depository libraries is in the *Annual report of the public printer for the year ending June 30, 1912*, p. 19-22.

II Geological depositories. Each congressman may name four libraries or institutions, each of which will get annually from 20 to 50 of the Monographs, Bulletins and Folios of the Geological Survey. Neither the Annual reports of the Survey nor its Topographic Sheets are sent to geological depository libraries, of which there are now about 700. Their number and the total number of volumes sent to them tends to decrease.

III Official Gazette depositories. Each congressman may name 8 libraries to which will be sent the Official Gazette of the U. S. Patent Office, a weekly 325p. magazine containing descriptive text and illustrations of all patents granted; trade marks, prints and labels registered; alphabetical list of patentees, and inventions and legal decisions in patent cases. There are now 1,550 (in 1918) such libraries, each of which must be separately designated. The Gazette is a bulky journal of a special and technical character, expensive to bind and should go only to those large libraries which have special use for it.

2. *To non-depository libraries on special request.*—It is only in this way that the small non-depository libraries can get any documents free from the Superintendent of Documents. He will supply any document in stock but as no current quota of most documents is delivered to the Documents Office and its stock comes chiefly from the receipt of documents no longer desired by Congress and the Departments, it follows that the service of the Documents Office to libraries in this way relates principally to documents more than a year or two old.

3. *By sale.*—The Superintendent of Documents in the fiscal year ending June 30, 1920, sold 5,895,470 documents for \$231,532.21. He sells for cash in advance only. It has for the past dozen years been the policy of the Documents

Office to restrict free distribution to individuals in every way and to increase sales not only through its own office but by urging the same policy upon all government departments. This policy has increased ten-fold the sale of documents since 1904. During the same time Congress has reduced the editions of nearly all documents printed. The effect has been that the Documents Office's reduced supply has been exhausted by the increased sales and there have been fewer or none available for free distribution to non-depository libraries. Numerous priced lists, of interest and value to even the smallest libraries, and on many subjects (free on application), have been issued by the Documents Office (60 or 70 different lists frequently revised) and by those departments which are large publishers.

To facilitate purchase by libraries, coupons may be bought from the Documents Office and used in current orders for small sums.

From the Issuing Department, Bureau or Office.—Each Department or Bureau receives a large part of the edition of every one of its own documents and distributes them through its own mailing lists in two ways.

1. Serial publications as issued.

If you can get your library placed on the regular mailing list (and sometimes if you cannot, your congressman can) for certain reports or documents that you know you will want year after year, they will be sent as issued without special request for each number. Department mailing lists are often revised, however, though usually not without notice and opportunity for renewal. This is far the most satisfactory way for the small library to get desirable government serials such as those recommended in the selected list on a later page.

2. On special request.

This is usually a pretty satisfactory way to get single documents, but should issuing offices sometimes refuse to send free and reply by a price-list, libraries will generally find it possible to get the desired document by renewing such requests to congressmen.

The Agriculture Department, the largest single government publisher, issues (Division of Publications, Circular 6) *Publications of the United States Department of Agriculture and how they are distributed*. The information in this circular and the liberal attitude towards libraries therein expressed are equally true of nearly all issuing offices.

From Congressmen.—Congressmen are the largest distributors of public documents. They are also likely to be the most zealous and indiscriminate and a library often gets in this way documents for which it never asked, which it does not want and which will only be a burden to keep and care for. Congressmen not only have more copies of most documents than any one else but they get them quicker. For the non-depository library that knows just what it wants and can accurately quote the title, a request to its own congressman or senator is often the best way to get it. Unrequested and useless documents received from congressmen should be promptly returned to the Superintendent of Documents under franks which that office will send.

What the Small Library Should Get.—No exact, complete list of documents useful to every small library is possible. No hard and fast rules can be made. Like all book acquisitions, the nature, situation and clientele of each library and its own local circumstances must help decide. No small library wants everything it can get. Libraries should be selections of books not collections. Remember that every book added to a library costs so much good money (usually

more than is thought) to prepare for the shelves, to catalog and even to keep standing on the shelves, unused and uncalled for when cataloged. The books in a small library must be live books, in constant use. The book rarely or never used has no place there, though it be a government document and free as air. A depository library which is too small to be one, which does not use the documents sent it, should surrender its depository privilege and supply itself in other ways with just the documents it will use.

Recommended Serials.—The following 13 titles of selected government serials should be found in all libraries, even the smallest, and the list of 26 single complete documents following them will be found of use in any library with a competent librarian. Suggested Decimal Classification numbers are given with each title.

U.S. Agriculture Department. Farmers' bulletins. 630

This serial treats in a practical, simple way, subjects of special interest to farmers and gardeners. On application to the Department a library will be placed on the mailing list. The *Bulletins* are sent out unbound by the Department, so each library will do well to bind them in volumes of convenient size. The Publications Division issued in 1920 an index to *Bulletins 1-1000* and volume indexes have been issued for each 25 *Bulletins* since number 250.

——— Yearbook.

630

A selection of practical, popular articles on specific topics with the annual report of the Department and a summary of agricultural statistics. No mailing list for this publication is maintained by the Department and requests for it must be renewed each year (it is published in July) either to the Department or to congressmen, who distribute the chief part of the edition.

Catalog cards, both author and subject (with headings printed in black ink) for each *Farmers' bulletin* and each article in the *Yearbook* can be bought from the Library of Congress.

The *Yearbooks 1894-1910* are also indexed in *Bulletins 7, 9 and 10*, Division of Publications.

U.S. Census Bureau. Abstract of the 14th census, 1920.

317.3

A comprehensive manual of the most important statistics collected at the last census, many of them graphically presented by maps, tables and diagrams. An edition is issued for each state, giving in a second part an abstract of statistics for that state relating to its population, agriculture, manufactures and mines. These "second parts" are also published separately as "State" census bulletins.

U.S. Children's Bureau. Care of children series.

Admirable leaflets on such practical and important topics as prenatal care; milk; breast feeding; infant care; child care. Sold by Documents office from 5 to 20c each.

U.S. Congress. Congressional directory.

328

Contains biographical sketches of all congressmen, cabinet officers and Supreme Court justices; personnel of committees; a directory of the various government offices, with brief statements of their duties and a list of the diplomatic and consular service. A new edition, sometimes more than one, is issued during each session of Congress. One edition a session will suffice for most libraries. Available free from congressmen and sold by the Superintendent of Documents for 60c.

— Congressional record.

328

The daily record of the debates and proceedings in both houses of Congress. It should be placed in the reading room with other daily papers and it will be read as much as any of them. It is necessary to apply to your congressman at the beginning of each session, as the mailing list for the preceding session does not hold over.

U.S. Education Bureau. Bulletin.

Issued since 1906. Unbound, brief monographs on timely topics. The series also includes the annual *Bibliography of education* and its advance sheets, a monthly record of current educational publications.

U.S. Geological Survey. Topographic sheets.

912

About 1400 different sheets have been printed, every state being represented. The eastern states are much more completely mapped than the central and western parts of the country. Each sheet is about 16x20 in. and gives in minute detail the topographic features of a quadrangular district embracing from 200 to 900 square miles. The Geological Survey will tell any inquirer what parts of any state have been thus mapped. The sheets are sold by the Survey for 10 cents each or 6 cents each in lots of 50 or more of the same or different sheets; stamps not accepted.

The Third Assistant Postmaster General, Division of Finance, Washington, D. C., will also sell post-route maps of any state (in

sheets, on rollers, or in pocket size), and rural-delivery maps of many counties in nearly 40 states (which can be learned on application) have also been printed and are sold at from 10 to 35 cents each.

The Forest Service distributes free an uncolored single sheet map showing location of national parks and forest reserves. The Superintendent of Documents sells for 50 cents an attractive colored wall map 5x7 feet and a 5x7 foot roller map of the United States for \$2.

Price list 53, issued by the Superintendent of Documents, lists a great many maps of all parts of the country which are for sale by him at low prices.

U.S. Interstate Commerce Commission. Annual report on statistics of railways in the United States. 385

An invaluable compendium of statistical information. Will serve in most libraries instead of *Poor's Manual*. Sent free on application to Commission.

U.S. Bureau of Labor Statistics (Labor Department).

Bulletin. 331

Of the utmost usefulness to the librarian who will take pains to find out what is in them. They are sent free on application to the Department. In 1902 the Labor Bureau issued an excellent index to its Reports and Bulletins as well as to the sets of labor reports from the different states. In 1915 the Bureau of Labor Statistics published a subject index to its own publications.

——— Monthly labor review.

\$1.50 per year. Found useful by many small libraries.

Smithsonian Institution. Annual report. 506

Freely distributed to libraries by the Institution. It contains short, semi-popular, well illustrated articles on a wide range of natural history topics. The Library of Congress sells catalog cards for each article.

U.S. Foreign and Domestic Commerce Bureau (Commerce Department). Statistical abstract of the United States.

317.3

The most useful, comprehensive and authoritative annual summary of statistics relating to our country that is printed. It will be supplied by congressmen.

Recommended Single Documents.—The following list does not claim to show all the single documents, outside of

serial sets, that are useful to small libraries. It is rather a list of a few titles which may serve to illustrate the kind of documents which libraries should watch for and get as they are published. Besides the titles of general interest noted below, every library should be alert to get the publications which are of peculiar interest in its own state or region. These abound in the different series published by the Geological Survey.

A.L.A. Catalog; 8,000 volumes for a popular library, with notes. . . . 2v. in 1. O. Wash. 1904. 017

Useful as an aid in cataloging, classification, book selection and buying. The free distribution was meant to include every library in the country. Additional copies may be had from the Superintendent of Documents in paper, \$1.

A supplement listing 8,000 volumes published between 1904 and 1911 has been issued by the A.L.A. at \$1.75 and a second supplement 1912-21 is in preparation.

Conference on the limitation of armament. (67th U.S. Congress. 2d session. Senate documents v. 10). Wash. Supt. of Docs. 1922. 935 p. cloth. Apply to congressman. 341.6

Includes President's address to the Senate; letter of the Secretary of State submitting treaties to the President; invitations to the conference; proceedings of plenary sessions of conference; minutes of Committee on limitation of armament; minutes of Committee on Pacific and Far Eastern questions; report of American delegation, including treaties and resolutions. Has index.

Gannett, Henry. Dictionary of altitudes. Ed. 4. 1072p. O. Wash. 1906. (U.S. Geol. Survey, bulletin 274. Serial no. 5014.) 557.3

Serves very well as a geographical gazetteer of the United States and contains many names not in any gazetteer or atlas.

Hodge, F. W. Handbook of American Indians north of Mexico. 2v. O. Wash. 1907-10. (Bureau of American Ethnology, bulletin 30.) 970.1

A detailed alphabetic cyclopedia of Indian biography, history, customs, arts, antiquities and institutions. The most convenient and comprehensive reference work on the subject.

U.S. Census Bureau. Census of the Virgin Islands of the United States, November 1, 1917. Wash. Supt. of Docs. 1918. 174p. cloth 20c. 917.297

An attractive illustrated handbook of the geography, history and industries of the Virgin Islands.

U.S. Congress. Abraham Lincoln, James A. Garfield, William McKinley. 246p. Q. Wash. 1903. (Serial no. 4432.) 92

A collection and republication of the memorial addresses delivered in Congress on the three martyr presidents, by George Bancroft, J. G. Blaine and John Hay respectively.

——— Biographical Congressional Directory. . . .
1774-1911, Continental Congress to the 62nd Congress.
1136p. Q. Wash. 1913. (Serial no. 5655.) 328.73

Also includes biographies of the executive officers of the government 1789-1911. Issued in paper at 90c, cloth \$1, but now out of print.

——— Sherman, a memorial in art, oratory, and literature by the Society of the Army of the Tennessee. 410p. Q. Wash. 1904. (Serial no. 4625.) 92

Memorial volume recording the proceedings at the unveiling of the statue to General W. T. Sherman in Washington, Oct. 15, 1903.

U.S. Foreign and Domestic Commerce Bureau. Bolivia, commercial and industrial handbook, by W. L. Schurz. (Special agents series 208). Wash. Supt. of Docs. 1921. 260p. illus. paper 65c. 918.4

——— Columbia, by P. L. Bell. (Special agents series 206). Wash. Supt. of Docs. 1921. 423p. illus. 70c. 918.6

——— Norway, by Nels A. Bengston. (Special agents series 196). Wash. Supt. of Docs. 1920. 58p. illus. 10c. 914.81

——— Paraguay, by W. L. Schurz. (Special agents series 199). Wash. Supt. of Docs. 1920. 195p. illus. 40c.
918.9

——— Switzerland, by H. Lawrence Groves. (Special agents series 210). Wash. Supt. of Docs. 1921. 128p. illus. 40c.
914.94

——— Venezuela, by P. L. Bell. 918.7

An attractive and interesting series designed for the use of American business men but yielding much general information.

U.S. Ethnology Bureau. Tlingit myths and texts recorded by J. R. Swanton. 451p. O. Wash. 1909. (Bulletin 39.) 497

The Tlingit Indians live in Alaska. This book is an English rendering of the chief part of their interesting mythology.

U.S. Hygienic Laboratory. Milk and its relation to the public health. 834p. O. Wash. 1909. (Bulletin 56.)
614.32

A revised and enlarged edition of Bulletin 41. Chapters on ice cream; infant feeding; dairy sanitation; etc.

U.S. National park service. National parks portfolio, by Robert Sterling Yard. 2d ed. Wash. Supt. of Docs. 1917. Portfolio in 11 sections, loose in cover, 35c. Book bound in cloth, \$1. 711

Information for travelers and others, on the location, history and chief points of interest of our national parks.

——— Series on the national forests. Wash. Supt. of Docs. Forests of Mount Rainier national park, by G. F. Allen. 1916. 32p. illus. paper 20c. 917.97

Features of the flora of Mount Rainier national park, by J. B. Flett. 1916. 50p. illus. paper 25c. 917.97

- Wild animals of Glacier national park. The mammals, by Vernon Bailey. The birds, by Florence Merriam Bailey. 1918. 210p. illus. folding map in pocket. paper 50c. 917.86
- Forests of Yosemite, Sequoia and General Grant national parks, by C. L. Hill. 1920. 38p. illus. paper 20c. 917.94

Attractively illustrated bulletins which will interest travelers and nature lovers.

- U.S. Insular Affairs, "Bureau of. Pronouncing gazetteer and geographical dictionary of the Philippine Islands, with maps, charts and illustrations. 933p. O. Wash. 1902. (Serial no. 4240.) 919.14

Sold in cloth binding for \$2.10 by the Superintendent of Documents.

- U.S. Library of Congress. Report on Star-spangled banner, Hail Columbia, America, Yankee Doodle; by O. G. T. Sonneck. 164p. 1909. 784.4

For sale by Superintendent of Documents at 85c. There is no free distribution.

- U.S. Mint Bureau. Catalog of coins, tokens and medals in the numismatic collection of the mint of the United States, Philadelphia, Pa. Wash. 1914. 694p. \$1.

A treasury of information for collectors and others interested in numismatics, specially valuable for the descriptions of the patterns of early and rare American coins. Part 1, which makes up the greater part of the catalog, is devoted to coins and medals of the western hemisphere. An interesting introductory account of American coinage and mints is followed by full descriptions of colonial and United States coins, historical medals and "tokens." Canadian, Mexican and other American coins are also described.

- U.S. Printing Joint Committee. John Paul Jones Commemoration at Annapolis, April 24, 1906. 210p. Q. Wash. 1907. (Serial no. 5039.) 92

Much interesting biographic and historic matter. Good pictures. A book of real and permanent value but now out of print.

Arrangement

Designated depositories.—The designated depository libraries, especially the large ones, will naturally arrange the documents in the "sheep-bound" or "congressional" set by serial number (certainly to 1908) supplying numbers for the first 3344 volumes from the *Checklist* of 1895, or Ed. 3, 1911, and for volumes 5215 (when the Documents Office discontinued the numbering on the volumes) to 5561 from the *Checklist*, Ed. 3. Serial numbers for volumes after 5561 appear in the schedules at the end of each volume of the *Document* or *Consolidated Index*. It will be a matter of regret and some extra work to the depository libraries which wish to preserve the very convenient serial number arrangement that the Document Office finds it impossible to deliver bound volumes promptly and to letter the serial numbers on them before delivery. As, however, under present laws it would mean twelve to eighteen months delay to wait till the serial numbers can be determined and lettered on the volumes, it is safe to say that libraries much prefer to get the bound volumes promptly and themselves put on the serial numbers when assigned. The status of the binding, distribution and arrangement of the documents sent to depository libraries is set forth in the *Monthly Catalogue* for February, 1910, p. 373-78, and has not been essentially modified since.

Non-depository libraries.—The small library, indeed any library not a designated depository (unless it be the very largest), should classify sets or single volumes of government documents exactly like any other books and shelve them with other books on the same subjects. The *Reports of the U. S. Commissioner of Education* will be classified and shelved with the other books on education; the *Water Supply and Irrigation papers* with other books on irrigation, etc. It is to help in such classification that the suggested

Decimal Classification numbers are given in the lists of recommended documents on earlier pages. In short, for purposes of classification, forget that they are government documents and incorporate them into the subject arrangement of the library exactly as would be done with so many ordinary books. There is no reason, except in large depository libraries maintaining a "serial number" arrangement, why government documents should be shelved in a separate room or alcove, but every reason why a library should be as much of a unit as possible, with all the books on a given subject in the fewest possible places. No non-depository library (save perhaps the very largest) will ever undertake a serial number arrangement. If such a library should fall heir to a nearly complete set of Congressional documents the wisest thing it could do would be to select the volumes needed to fill out such sets as, after careful thought, it had decided to maintain, and then to return all the others. It is foolish to keep useless documents or to start useless sets just because the books may be had for nothing.

In the largest libraries, which keep practically all government documents, the matter of arrangement presents too many different aspects for consideration in a pamphlet of this size.

Unbound Documents.—Many useful government documents come in pamphlet form. When these continue a regular series or form a part of a set, such as separate numbers of the *Farmers' Bulletin*, their receipt should be noted on the checklist like any other serial, the call number marked on the upper left corner of each and the pamphlets arranged in class order in vertical filing cases or shelved in boxes just after the last bound volume of the set. When pamphlets do not continue regular sets or are complete in one number, two courses are open:

1. They may be bound at once if large and valuable enough to justify cost.

2. They may be treated like any other pamphlets, i.e., classified and shelved with other pamphlets on the same subject.

Never accession pamphlets. Wait till they are bound and then accession the bound volumes. It is impossible to give in detail the different peculiarities of many government serials in manner and form of original issue, e. g. what documents or series are issued only in pamphlet form, which ones the government binds, in what various forms and how bound copies of these may be got. This comes only from experience.

Return of documents.—Upon request from any library the Documents Office will furnish mail sacks and franks for the return of documents no longer useful.

Cataloging

Intelligent and complete cataloging of government documents requires intimate knowledge of the organization of the national government, of the duties and functions of the various departments, commissions, bureaus, etc.; and a clear understanding of the political and historical relations between the documents themselves and the bodies responsible for them; between government documents and government authors.

Author Cataloging. "U.S. Headings."—Full and orthodox cataloging will require the use of some form of the "U.S. Headings" for author entry as they are used, e.g. in the list of recommended serials, p. 16. The chief difficulty will be to determine the exact form to use and to be absolutely uniform therein. Without going into the reasons pro and con in this important and much discussed subject,

it is here recommended that where full author cataloging is desired the author headings used in the catalogs issued from the office of the Superintendent of Documents be followed. These are found in "*Author headings for United States public documents as used in the official catalogs of the Superintendent of Documents.*" Ed. 3. Mar. 4, 1915 (Bull. 18).

Later usage, new and changed headings may be found in the usual appendix *Governmental Authors of the Document Catalogue* and in the recent numbers of the *Monthly Catalogue*.

Older headings for offices, commissions, etc., now non-existent may be found in editions 1-3 (1915) of the above named pamphlet; in the lists of *Governmental Authors* at the end of each of the volumes of the *Document Catalogue*; on the printed cards (but not in inverted form) of the Library of Congress; and in such printed library catalogs as that of the Peabody Institute Library.

Are "U.S. Headings" desirable? The usual plan of author entry under "U.S." followed by name of issuing office is arbitrary, artificial, confusing, never used by the public and hard to use even by the library staff. The matter is complicated by the two alternatives of Inversion and Non-inversion; The Superintendent of Documents office using the former in its catalogs and the Library of Congress using the latter on its printed cards. Again there is the uncertainty resulting from frequent changes of the names and jurisdiction of many government offices, necessitating either recataloging or a wilderness of nearly useless cross references. In a small or medium public library it may be best wholly to disregard the "U.S. Headings," using for main entry title or personal name whenever possible (as described in next two paragraphs) and in other cases omitting any author entry whatever. It will be objected that it is the

author card which is first consulted to learn the library's holdings of a given title. True, but a subject card will serve instead and can usually be readily located in the catalog for any particular set or document, while the set itself on the shelves or the shelf list card can be consulted more quickly still.

Title entry.—Main entry under title is recommended whenever it is distinctive or commonly used. Certainly for the *Farmers' Bulletins*; *Consular Reports*; *Congressional Record*; *Congressional Directory*, *Yearbook of the Department of Agriculture*, *Experiment Station Record*, *Statistical Abstract of the United States*; *Treaties in force*; *A.L.A. Catalog* and all other similar titles, it is more sensible and useful than the "U.S. Headings."

Personal entry.—Personal entry is the use, as author entry, of the name of the man who wrote the document, not the name of the office that prepared it. Obviously with annual reports, laws, many serials and the greater number of government documents there can be no personal author entry. Personal entry is more useful than any "U.S. Heading" but may be carried too far. It is unwise to make author entry for every *Farmers' Bulletin* and each chapter in the *Yearbook of the Department of Agriculture*. The different numbers in the several series of publications of the Geological Survey, however, seem properly to claim personal author entry. In "full" orthodox cataloging, personal author entry will usually be a secondary and not the main entry. If "short" cataloging is followed and no U.S. Headings used, personal entry will often be the main entry. Personal entry is certainly important, nay, imperative when a document is large or significant enough to be likely to be referred to by the name of the author rather than the name or number of the series.

Complete sets.—In cataloging government documents it is always desirable and frequently difficult to ascertain just what volumes are required to form complete sets and just where and how such volumes were published. This work, frequently intricate and perplexing, takes much time. In a way it is not so important for smaller libraries; they may merely catalog what they have, but if a library is (as it should be) constantly trying to complete such sets as it has decided to be of value to it, it then becomes necessary to know what volumes are required. The most useful help in this is the *Checklist* of 1911. The many lists of their publications issued by the various government offices are also useful in careful cataloging. A fuller exposition of the author entry for government documents is in Clarke. *Guide to the use of U. S. government publication*, 1918 and in Fellows. *Cataloging rules*, 1922.

Subject Cataloging.—It is for their contents on various topics, not as books or pamphlets by such and such authors, that government documents are chiefly useful. Subject cataloging therefore is far more useful than author entry. In doing this subject cataloging then, whether primary or analytic, the following points should be noted:

- 1 The Documents Office furnishes no printed catalog cards for government documents.

- 2 Care should be taken not to duplicate work which has already been done in printed indexes to sets: e.g. it would be foolish to analyze *Farmers' Bulletins* 1-1000 which have been carefully indexed both by author and subject.

- 3 The Library of Congress prints analytic cards for all the principal government serials and for many separate documents. The Library of Congress numbers by which these cards may be ordered are printed with many items in the *Monthly Catalogue*.

Use

The utmost use of government documents depends upon

- 1 Having all indexes covering the documents in the library.
- 2 Intelligent analytic subject cataloging.
- 3 Personal familiarity with contents.

Indexes.—The general document indexes (disregarding the many department, set or series indexes) are the following:

Poore, B: P. Descriptive catalogue of the government publications of the United States, 1774–1881. 1932p. F. Wash. 1885. (Serial no. 2268.)

This, the pioneer general index, will be of use only in libraries that have large numbers of the early congressional documents.

To the small library which limits its collection of government documents to all or any of the sets previously recommended in this pamphlet, this index will be of no use as only 4 of those sets date back to 1881.

Ames, J: G. Comprehensive index to the publications of the United States government, 1881–93. 2 v. Q. Wash. 1905. (Serial nos. 4745–46.)

U.S. Documents Office. Catalogue of the public documents of the 53rd–63rd Congress and all departments of the government, 1893–1915. v. 1–12 Q. Wash. 1896–1918.

A straight dictionary catalog of authors and subjects and a model of complete, clear, accurate and intelligent cataloging. The annual reports of all departments of the government are analyzed. This is a minute, complete key to the great storehouse of information not only in the documents of the Congressional set but in those printed independently by the different departments. It is essential to every library and should be supplemented by the *Monthly Catalogue* (2d item below). Each volume covers a single Congress. It is a great pity that such a fundamental and essential series should be allowed to get so far behind.

——— Index to the subjects of the Documents and Reports and to the Committees, Senators and Representatives presenting them, with tables of the same in numerical order, being the "Consolidated index" provided for by the act of January 12, 1895. v. 1—date, O. Wash. 1897—date.

One volume is issued for each session of Congress. As it covers only the documents in the Congressional set it is of little or no use to small, non-depository libraries. It is from the schedules in the back of this index that depository libraries maintaining the serial set must now get the serial numbers for current volumes, no longer affixed by the Documents Office. Twenty-nine volumes have appeared, the last covering the sessions of the 66th Congress.

——— Catalogue of United States public documents, 1895—date. v. 1—date. Wash. 1895—date.

Commonly called the *Monthly Catalogue*. Useful to all libraries, large and small, as the only complete list of current documents as published. It will be sent to any library on request to the Documents Office. An index to the six numbers, July to December, appears in each December issue and in the June numbers appears a cumulated index covering the full fiscal year ending June 30th. Many entries are accompanied by Library of Congress catalog card numbers.

The third and fifth of above indexes are the most important in small non-depository libraries. Any of them will be supplied in bound form by the Documents Office, which has on hand a considerable stock of each.

Besides the above indexes all libraries save the very smallest will find very useful the new *Checklist of U.S. public documents 1789-1909*. . . . Ed. 3, revised and enlarged. v. 1. 1707 p. O. Wash. 1911.

It is described in *Library Journal*, 1912, 37:630, and a list of errata is in the *Monthly Catalogue* for May, 1912, p. 720-21.

Personal familiarity.—The person, whether librarian, reference librarian or loan clerk, who is to be intimately associated with government documents should make it a point to examine with more or less care everything of that nature

which reaches the library. He should do more than glance at the back of a book or the cover of a pamphlet. He should have the instinct for knowing quickly a pamphlet or book which contains really useful material and should make proper note of it. Matter of special local value should be promptly noted and brought to the attention of those patrons of the library whom it will interest. Do not brand a book or a set "useless" because it is never used. With the indexes now available if any one of these recommended sets is not used the fault is more likely to be with the librarian than with the documents.

Lending documents.—While the Documents Office expects and has the right to insist that depository libraries shall keep and organize for effective use all documents sent them, yet it no longer objects to the free lending of them outside the library.

Current documents.—It is not a very easy matter to follow the publication of current government documents and to know which are of interest and value to small libraries. The *Monthly Catalogue* gives a complete list. But its very completeness is confusing for there are no notes to tell what small librarians want to know and many titles listed in it are not available for libraries. The *Booklist* includes government publications in nearly every issue. Some government offices, like the Library of Congress and the Department of Agriculture, issue lists of their own publications which give more information than the *Monthly Catalogue*. These lists can always be had on application. The *Book Review Digest* has in every number a separate list of a few titles of state and federal documents "useful in smaller libraries."

STATE DOCUMENTS

Printing and Distribution

The printing and, with lesser detail, distribution of state documents are prescribed by statute in all states. These four dozen laws, though much alike in the main, yet embody a great number of diverse minor provisions. There is no state printing law which can be pointed to as a model, although Massachusetts and Pennsylvania have statutes representing much study which secure pretty satisfactory results. Few of the states have codified the printing law, which is thus a group of laws passed at different times. These laws lack unity and in many cases do not apply most effectively to present administrative conditions. The three principal common features are: (1) printing let under contract to the lowest bidder; (2) provision for an official or "collected" edition of the principal documents; (3) principal distribution reserved by members of the legislature as an official perquisite. Any change in, or reform of, document printing and distribution in any state should be grounded upon a careful study of its present laws regulating these matters and an intimate acquaintance with the practice, often extra-legal, which has grown up.

Collected edition.—Practically all states issue their documents in two editions, the "department" edition and the "collected" edition. The former, comprising nearly all of the total edition, is distributed by legislators and through the different issuing departments. The latter is in most states only large enough to supply a few state officials and institutions and the state libraries of all the other states in exchange. This edition is in many cases prepared by or under direction of the state library and the exchanges with other states are almost always conducted by it. The binders' title

is variously Executive Documents, Legislative Documents, Public Documents.

Department edition.—While in a few states there is a noticeable and increasing tendency to enlarge the functions of the state library in document distribution, yet in no state is it as completely and effectively centralized, there or in any office, as it should be. The reasons, not far to seek, are the reluctance of members of the legislature to part with this attractive perquisite, and the natural feeling of issuing departments that they can distribute their own publications better than anyone else can do it for them.

In view of this lack of any definite or uniform distributing agency in the various states, libraries desiring copies of the "department" edition can do no better than to apply to the state department or office which issues the document. If this brings neither reply nor document a letter to the state library will usually bring one or the other.

Check-Lists and Indexes

The principal bibliographic helps to a knowledge and reference use of state documents are the following:

Bowker, R. R. State publications; a provisional list of the official publications of the several states of the United States from their organization. 1031 pp. New York, 1908.

Reviewed in *Library Journal*, 1909, 34:459. An account of some difficulties encountered in its compilation is in *Library Journal* 30:233-38.

Hasse, A. R. Index of economic material in documents of the states of the United States to 1904. Carnegie Institution 1907+.

Reviewed in *Library Journal*, 1907, 32:377 and 1908, 33:466. Thirteen volumes have appeared for Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, New York, Delaware, Ohio, Kentucky, California, Illinois, Pennsylvania (v. 1.) New Jersey and the work has been stopped.

Library of Congress. Monthly check-list of state publications. January 1910+. \$1 a year.

A full index is issued at the end of each year.

Reece, E. J. State documents for libraries. 163p. Urbana, Ill. 1915. Especially useful for its full and careful bibliography.

A few states, usually through the state library, library commission, or state historical society, have issued tentative check-lists of official publications but they are seldom full or accurate enough to be of much use.

Value to Libraries

While *every* library will pay special heed to collecting all the documents of its own *city*, the documents of its own *state* will not be collected with the same zeal or completeness by any but the larger libraries. Beyond the borders of the state, however, and as a class, state documents are of far more importance than city documents and to a far greater number of libraries. Few except state libraries and the largest reference libraries collect the documents of all states, although every library, even the smallest, will find use for some of the documents of its own state and occasionally for one from another state, and many medium-sized and larger libraries will wish to get regularly reports from certain departments in other states or (still oftener) occasional publications of a social or scientific sort. Speaking generally, but perhaps with as much definiteness as the matter will allow, the kind of state documents that small libraries will find useful are statistical publications like the Legislative Manual or Blue Book and the report of the treasurer or auditor presenting the annual budget with statement of sources of revenue, receipts, and disbursements; popular but authoritative science such as is found in the bulletins of agricultural colleges and experiment stations, in the reports of forest, fish, and game commissions and geological surveys; historical matter such as the accounts of memorial expositions, celebrations, and dedications and publications of a political, social, or economic nature. The following titles of a few documents issued by New York state during the past few

years will illustrate better than any statement the type of occasional state publication issued by all states, which is of interest to all libraries in the state and often to those outside:

- Beach. Apples of New York. 2v. Geneva experiment station.
Horner. The American flag. Education department.
Lincoln. Messages of the governors of New York. 11v. State library.
Felt. Control of flies and other household insects. State museum.
Manual for the use of the legislature of the state of New York (annual) Secretary of state.
House. Wild flowers of New York. 2v. State museum.
Whitford. History of New York canals. 2v. State engineer.
Eaton. Birds of New York. 2v. State museum.
Dow, C. M. Anthology and bibliography of Niagara Falls. State library.
Maps of roads, forests, quarries, notable scenic regions, rivers, harbors, etc., are issued from time to time by all states and are of interest to all libraries.

Even though it does not try to get all of them, every library should have as complete a list as possible of the documents of its own state and should follow, whenever there is any way to do so, the current state publications. In some states, a list of current state documents likely to be of interest to libraries is regularly printed in the bulletin of the state library commission. Every library, too, should be accurately acquainted with the lending and distributing facilities offered by the state library or by the nearest large library which keeps a complete set.

CITY DOCUMENTS

Local Documents

By this term is meant the official publications, the administrative and business records, of the village, city, town, or county (whatever the primary political district may be) in which the library is situated and which it serves as its chief and immediate constituency. At least one library in

each such political district should make the completest possible collection of its public documents. They will usually be in printed form, yet the local library should welcome manuscript records which are not as well cared for or are not more appropriate in the city hall or courthouse. In very small places public documents will often appear in fugitive and informal shape. The village treasurer's report may be printed only in one local paper, the report of the library in another. Some or even all of the city departments may issue separate pamphlet reports which are never collected into one volume. It is likely that no officer or institution will take as much interest in preserving these reports as the local library, for the frequently changing officers of a local government pay slight heed to keeping a full set of such documents. They may be preserved either by a public library or perhaps with even greater propriety by a historical society library. Such material should be kept in a separate room or alcove and may well form part of the local history collection which should be a feature of every library and which easily may be made a matter of considerable pride and interest. Besides the local government documents, this collection will contain scrapbooks, the files of the town papers, portraits or photographs of local people and places, books by local writers, and books and pamphlets printed in the town. Its scope may even be extended to include relics which are genuine and not too unwieldy. Much, even of the document material, which will go to form such a collection appears in frail and ephemeral form, and constant vigilance alone can get worthy results.

Such a collection should be arranged for easy and effective exhibit as a museum and for use with schools. It will often interest local people of means in gifts and bequests of money or material.

Documents of Other Cities

Few public libraries, and those only the largest, will collect many documents of other cities. The larger college and reference libraries will try to get sets of reports of such cities and city officers as deal with current questions of municipal government or control, especially on social and political topics. A very few of the largest libraries will try to collect all city documents. There are no general indexes or check-lists of city documents, and the only essays toward such bibliographic records which are known to the writer are:

List of works relating to city charters, ordinances, and collected documents. 383 pp. New York Public Library, 1913.

the title of which would more accurately describe this laborious and useful compilation if it omitted the words "works relating to," and

Official documents of the city of Pittsburgh: tentative list, February, 1913. 16 pp. Carnegie Library of Pittsburgh.

There is no regular list of current issues of city documents, and their distribution is not so well organized as that of state and national documents. It is therefore very difficult, not only to learn of their issue, but to secure copies regularly or even to know what pieces are required to form complete sets. Unlike the general government and some states, few cities designate a special officer or department to supervise the printing and distribution of their documents. Each document usually is to be had only by direct application to the issuing office and often not even then.

Check-Lists and Indexes

While city documents, more than those of either state or nation, are business records, not research publications,

yet an increasing volume of expert and significant matter is being issued in city documents, and it will not be long before bibliographers in municipal reference libraries or in libraries having great document collections, must prepare the check-lists and indexes needed to facilitate their collection and use as reference material. At present such data exist only in the card or printed catalogs of great libraries and to a very slight extent in our current trade bibliography.

In form of issue and unsystematic arrangements for distribution, city documents present a situation even more discouraging than state or national documents. There has been within the past twenty years a remarkable civic awakening in this country. This has produced a considerable and important body of valuable literature published by city governments. The arrangements for printing and distributing, however, are not characterized by that efficiency which has been sought in civic life in the past generation. A somewhat more detailed statement of the chaos and varying practices in the publication of city documents is found in Kaiser, J. B., "American municipal documents," *Special Libraries*, June 1913 (also printed in *Library Journal*, 1913, 38:453-56), while more exact information as to the printing, sale, and distribution of municipal documents in American cities of more than 25,000 population is presented in tabular form by Frank G. Bates in *Special Libraries* for January 1914, 5:12-21.

The same specifications for a satisfactory "collected" edition that are set down in a previous paragraph apply with as much force to city as to state documents, although outside of New England, and particularly Massachusetts, few cities, save the very largest, regularly prepare a collected edition of their documents.

BIBLIOGRAPHY

The following titles, in addition to those appearing throughout the text, seem likely to be useful.

General

- Fuller, E. D. United States, state and town documents in small libraries. *Library Journal*, 1898, 23:564-66.
- Tilton, A. C. Printed series cards for public documents. *Public Libraries*, 1910, 15:181-84.
- Describes a method of recording public documents on specially ruled cards. Applicable to city, state, or federal documents.

Federal Documents

- Clarke, E. E. Guide to the use of United States government publications. 308 pp. 1918.
- Guerrier, Edith. The federal executive departments as sources of information for libraries. (*Education bureau. Bulletin*, 1919, No. 74).
- Wroth, L. C. Description of federal public documents. 22 pp. 1916.

State Documents

For fuller list on state documents, see "Library work; cumulated 1905-1911," pp. 373-74. H. G. T. Cannons' list on government documents in his "Bibliography of library economy," 1910, pp. 306-9, includes material on state documents.

- Hasse, A. R. How may government documents be made more useful to the public? *Library Journal*, 1901, 26:8-13; *State documents*, pp. 11-13.

———. Subject headings for state documents. *Library Journal*, 1906, 31:C123-26.

National association of state libraries. *Proceedings*, 1899-date.

This association has always had committees on exchange and distribution of state documents and on systematic bibliography of state official literature. The reports of these committees, the ensuing discussion, and other papers read before this body, all relate to state documents as they are considered by state libraries.

yet an increasing volume of expert and significant matter is being issued in city documents, and it will not be long before bibliographers in municipal reference libraries or in libraries having great document collections, must prepare the check-lists and indexes needed to facilitate their collection and use as reference material. At present such data exist only in the card or printed catalogs of great libraries and to a very slight extent in our current trade bibliography.

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The following titles, in addition to those appearing throughout the text, seem likely to be useful.

General

- Fuller, E. D. United States, state and town documents in small libraries. *Library Journal*, 1898, 23:564-66.
- Tilton, A. C. Printed series cards for public documents. *Public Libraries*, 1910, 15:181-84.
- Describes a method of recording public documents on specially ruled cards. Applicable to city, state, or federal documents.

Federal Documents

- Clarke, E. E. Guide to the use of United States government publications. 308 pp. 1918.
- Guerrier, Edith. The federal executive departments as sources of information for libraries. (Education bureau. *Bulletin*, 1919, No. 74).
- Wroth, L. C. Description of federal public documents. 22 pp. 1916.

State Documents

For fuller list on state documents, see "Library work; cumulated 1905-1911," pp. 373-74. H. G. T. Cannons' list on government documents in his "Bibliography of library economy," 1910, pp. 306-9, includes material on state documents.

- Hasse, A. R. How may government documents be made more useful to the public? *Library Journal*, 1901, 26:8-13; *State documents*, pp. 11-13.

———. Subject headings for state documents. *Library Journal*, 1906, 31:C123-26.

National association of state libraries. *Proceedings*, 1899-date.

This association has always had committees on exchange and distribution of state documents and on systematic bibliography of state official literature. The reports of these committees, the ensuing discussion, and other papers read before this body, all relate to state documents as they are considered by state libraries.

City Documents

- Bates, F. G. Municipal ordinances and documents. *Special Libraries*, 1914, 5:12-21.
Tabular exhibit of the present status of the publication and distribution of documents in American cities of over 25,000 population.
- Childs, W. T. Baltimore's municipal journal. *Independent*, April 17, 1913, pp. 881-82.
- Hasse, A. R. The New York "City Record." *Library Journal*, 1907, 32:207-8.
- Kaiser, J. B. American municipal documents. *Special libraries*, June 1913, and *Library Journal*, 1913, 38:453-56.
- Munro, W. B. Bibliography of municipal government in the United States. 472 pp. 1915.
- Porter, W. S. A municipal report (in his *Strictly business*).
Can be read with great benefit at the end of a long, dirty day with city (state or federal) documents.

Check-Lists

- Carnegie library of Pittsburgh. Official documents of the city of Pittsburgh; tentative list, February 1903. 16 pp. O.
- New York public library. List of works relating to city charters, ordinances and collected documents. 383 pp. Q. New York. 1913.
Reprinted from the Bulletin of the New York Public Library.

MANUALS OF LIBRARY ECONOMY

Types of Libraries

- I. American library history, C. K. BOLTON.
- II. Library of Congress, W. W. BISHOP.
- III. The state library, J. I. WYER.
- IV. The college and university library, J. I. WYER.
- V. Proprietary and subscription libraries, C. K. BOLTON.
- VI. The free public library, ISABEL ELY LORD.
- VII. The high school library, G. O. WARD.
- VIII. Special libraries, R. H. JOHNSTON.

Organization and Administration

- IX. Library legislation, WILLIAM F. YUST.
- X. The library building, W. R. EASTMAN.
- XI. Furniture, fixtures and equipment, LINDA A. EASTMAN.
- XII. Administration of a public library, A. E. BOSTWICK.
- XIII. Training for librarianship, MARY W. PLUMMER, revised by F. K. WALTER.
- XIV. Library service, Temporarily out of print.
- XV. Branch libraries, LINDA A. EASTMAN.
- XVI. Book selection, ELVA L. BASCOM.
- XVII. Order and accession department, Temporarily out of print.
- XVIII. Classification, CORINNE BACON.
- XIX. The catalog, HARRIET E. HOWE.
- XX. Shelf department, JOSEPHINE A. RATHBONE.
- XXI. Loan work, CARL VITZ.
- XXII. Reference department. Temporarily out of print.
- XXIII. U. S. government documents, J. I. WYER.
- XXIV. Bibliography. Temporarily out of print.
- XXV. Pamphlets and minor library material, J. I. WYER and others.

Special Forms of Work

- XXVII. Commissions, state aid and state agencies, ASA WYNKOOP.
- XXVIII. The public library and public schools. To be published.
- XXIX. Library work with children, CLARA W. HUNT.
- XXX. Library work with the blind, MARY C. CHAMBERLAIN.
- XXXII. Library Printing, F. K. WALTER.

Covers reprinted in 1925.

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