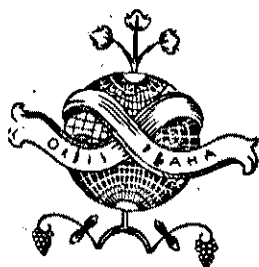


Dhananjayrao Gadgil Library



GIPE-PUNE-018987



SOCIAL POLICY
IN
THE CZECHOSLOVAK
REPUBLIC

1

Edited
by the Social Institute
of the Czechoslovak Republic
for the
International Congress
on Social Policy
in Prague



PRAGUE 1924

Published by the »Orbis« Publishing Co.
Printed by the »Politika«

X:9.5925. N2

F4

18987

INTRODUCTORY.

This publication, which was written in view of the International Congress of Social Policy at Prague, is intended above all to provide the foreign members of the Congress with concise and general information concerning the previous course and the tendencies of Czechoslovak social policy. The booklet naturally pays attention to the programme of the Congress and concentrates its information mainly on questions which will be discussed at the meetings of the Congress. The subjects are: the eight hours' working day and its practical results for the mental and moral life of the workers, the democratisation of industry, the participation and responsibility of the workers in the administration of the works, i. e. the question of workers' councils and committees, and finally the question of unemployment and the emigration connected with it. It was found impossible to avoid mentioning, in addition to the above, other social and political questions which the legislation of the Czechoslovak Republic had to solve. In this way our small publication is a source of quite synthetic and concise information on the social policy of Czechoslovakia in general.

PROGRESS AND TENDENCIES OF CZECHOSLOVAK SOCIAL POLICY.

By Dr. JOS. GRUBER.

In the new-born Czechoslovak Republic the question of social welfare has involved one of the most important and difficult of tasks. Under the late Monarchy — at least in its Austrian half — the legislation relating to the protection and the insurance of the workers fell, after the promising course of the year 1880, almost into a state of stagnation. The question of social insurance in general went into abeyance; from 1870 onwards the housing shortage was a permanent feature in consequence of the fiscal policy of former Austria and the grudging State support given to the towns and industrial regions; no attempt at all was made to introduce reform measures in regard to the age-long question of pauperism, so that sanitation and hygienic arrangements were thrown on to municipal authorities whilst children and other persons physically or mentally incapable of earning their own livelihood were left to the care of private philanthropy.

The World War not only infinitely increased

the pre-War social inequalities, but also called forth a number of new social problems. The collapse of Austria-Hungary soon meant an unorganised demobilisation and the cessation of the extensive manufacture of munitions; the industries engaged on this work could not be immediately diverted to peace-time conditions on account of the lack of raw materials or semi-manufactured goods, the decrease of coal production, transport difficulties, and the unsettled state of the currency. For tens of thousands of returning soldiers and prisoners of war there were no dwellings, for hundreds of thousands there was no employment. Disabled soldiers and their families, widows of soldiers and prisoners of war who had fallen on the field or had died of wounds expected the State to ensure them at least a modest existence. Meanwhile the new republic, which was built upon democratic foundations and showed a high level of cultural attainment and economic progress, desired with noble ambition to show that it was a highly progressive State in the social and political sense also; indeed it desired to prove itself as progressive as possible in comparison with its near and more distant neighbours and therefore it kept in mind the numerical strength and political importance of the Czechoslovak working classes.

In truth social policy (which in the wider sense includes Land Reform) forms the most characteristic feature of all the existing legislation of the Czechoslovak Republic. In order to accomplish without any delay everything that had been neglected for decades by the pre-War Austrian authorities, the Czechoslovak Parliament directed its attention to probably every branch of economic life, and problems of social policy were tackled in the most thorough fashion. Two things need to be emphasised here. In the first place, as in the case of all historical revolutionary legislation, the first legislators of the Czechoslovak Republic solved certain problems in too drastic a manner. In the second place, the unsettled post-War conditions compelled us both to re-introduce repeatedly laws which it had been calculated would become superfluous after a short period of operation and also to make alterations with equal frequency and haste in other laws so as to adapt them to the quickly changing conditions. Thus in the first five years of its existence the Ministry of Social Welfare had to prepare no less than 157 laws and decrees which, with the regulations remaining from pre-War Austria, already constitute an extensive mass of legislation that urgently requires to be codified.

One of the first laws passed by the National

Assembly of the Czechoslovak Republic was that concerning the 8 hours' working day. "Eight hours of intensive work per day produce larger results than a much longer period of work done by an exhausted man. And intensive work can be done only by a healthy man who is not over-weighted by work but finds interest in it. Let us help the individual to find joy in his labour," urged the Social Policy Committee of the National Assembly on December 16, 1918. Not even the agriculturalists wished to have a longer working day because they did not desire to strengthen the exodus of workers from the country districts. It is hoped to meet difficulties in certain branches of industry by establishing exceptions and temporary measures with reference to the special needs of agricultural industry, and also by distinguishing between workers employed constantly outside their employer's house and persons engaged in his household.

Thus the law of December 19, 1919 on the eight hours' working day which was passed not by Labour alone but by the vote of all the parties in the National Assembly goes much further than the resolution of the International Labour Conference at Washington (for further details see a later article in this publication).

The legislation of the Czechoslovak Republic

has concerned itself — and in this respect it has few rivals amongst civilised States — with obtaining the easiest relations, from the legislative and technical point of view, among the employers, the foremen, the stores foremen, the workshop assistants and the cottage industry workers. Such workers are those who are engaged in the manufacture or finishing of articles outside the factory of their employer, that is to say, generally in their own dwellings and who do not, in accordance with trade regulations, carry on an independent trade. The main principles laid down in the above-mentioned law of December 19, 1919 are: the duty of employers and foremen to keep accurate lists of the workers engaged by them in cottage industries; the obligation of the said employers and foremen to keep books showing the amount and character of work allotted, the wages paid, the deductions made, and the records of materials distributed, etc.; the public display, in the factory of the employer, of a table of work and wage conditions; the establishment by the Minister of a central commission for each branch of manufacture in the cottage industries, one third of the members of which must always be composed of the representatives of the employers (foremen), one third of the cottage workers, and one third of disinterested specialists. The Commissions were

set up with a view to the fixing of the lowest wages for cottage workers and workshop assistants as well as for the arrangement of other wage and supplementary conditions. In very many branches of the industries there are special regional commissions which work for a peaceful understanding in the event of labour and wage conflicts or decide the dispute by a special finding. The law proclaims further, the legal binding power of collective tariff agreements in the cottage industries and extends to the cottage workers compulsory sick insurance and inspection of working conditions. It also empowers the Government to place an embargo upon the manufacture of certain goods in the cottage industries or the use of certain materials, etc. So far there have been established 5 central and 26 regional commissions for the cottage industries.

We shall not discuss in detail the legislation of lesser importance in the sphere of workers' protection. A partial settlement of one of the demands of the Socialist programme was the law of August 12, 1921 concerning works committees which in a very diluted form (for the contents of the Czechoslovak law see a later independent chapter in this publication) introduced at a time of increasing economic depression and consequent sobering of the workers' ideology,

that which during the first two post-War years had been realized in Austria and Germany by the passing of the laws on factory councils, and which had been obtained also by the miners in Czechoslovakia in the laws of February 25, 1920. These laws dealt with the committees for individual mines and mine districts, with the participation of the miners in the administration of the mines and with their share in the net profits.

To this group of legislative measures belongs also the new step towards the reform of the legal system in regard to labour matters, at least in the building trade. In order to improve the relations existing in this trade and in the concerns which manufacture and transport building materials the law of March 11, 1921 on the building movement introduced wage arbitration courts with a view to the interpretation of collective agreements, the settlement of big conflicts arising from the labour agreements, and the fixing of labour, and particularly wage, conditions in so far as such had not been adjusted by collective agreements. These courts were established in Prague for Bohemia, in Brno for Moravia and Silesia, in Bratislava for Slovakia, and in Užhorod for Carpathian Ruthenia. They have proved their value, for strikes and lockouts have frequently been avoided by their intervention.

In order that the regulations relating to the protection of the workers might be carried out in practice, trade inspectors, as in former Austria and Hungary, were appointed to carry out similar duties in the historic countries (Bohemia, Moravia, and Silesia) on the basis of the still operative Austrian law, and in Slovakia and Carpathian Ruthenia according to the principles laid down in the existing Hungarian law. In the latter case, however, the supervision of the steam boilers which had been part of the duties of the trade inspectors in Hungary was transferred by the Czechoslovak authorities in the year 1919 to a special State organisation; on the other hand the extent of trade inspection in these countries has now been widened, according to the model of the inspection in Bohemia, Moravia and Silesia, so as to cover all kinds of concerns irrespective of the number of the employees and the fact as to whether the machinery in the concerns is driven by mechanical means or not. The complete unification of the inspection service in Czechoslovakia and also the widening of its sphere of activity to cover almost every branch of industry are to be carried out in accordance with a law on labour inspection which has been prepared. The regular annual reports on the work of the trade inspectors are likewise very valuable

aids to the understanding of economic and social development in Czechoslovakia.

In addition to the legal protection of the workers the second basic support of the practical Czechoslovak social policy is workers' (social) insurance. The Czechoslovak Republic took over from former Austria the accident and sickness insurance of the industrial workers and the pension system for officials in private bodies. Here the task of the Czechoslovak Republic was to bring about a complete separation from the insurance institutions of former Austria and Hungary and then to unify, reform and supplement the legislation dealing with social insurance, the supplementary insurance being for old age and disability which Austria, in spite of repeated attempts, had failed to establish except in the case of officials belonging to private bodies. These tasks were all the more urgent and important because owing to its relatively large population and unusually extensive industrial development the Czechoslovak Republic took over from old Austria more than three quarters of the entire social welfare agenda of the former Vienna Ministry of Social Welfare. The separation was carried out by means of the transference in 1919 to the workers' provincial accident insurance office at Prague and Brno of the miners' accident insurance which

up till then had been concentrated in the miners' accident insurance office at Vienna (although mining in pre-War Austria was limited almost entirely to N. Bohemia and N. Moravia); the taking over by Czechoslovak authorities on a specially advantageous basis of the accident insurance of the railway workers employed on the State, provincial, and certain private railways, which had up till then been carried on by the insurance department of the Austrian railways; the establishment at Prague in December 1919 of a universal pension institution for the operation of the pension scheme of employees in private concerns, and the widening in September 1919 of the scope of the laws on workers' insurance to include Slovakia and Carpathian Ruthenia. A provincial office for workers' insurance was established at Bratislava for this purpose. As regards this branch of Czechoslovak legislation, the present publication contains an independent and relatively detailed article, so that it is unnecessary to spend further time here in discussing its content.

With the carrying out of the Land Reform, i. e. the commandeering of the large estates and the re-distribution of all land above a certain area, the new applicants felt the need to ascertain and safeguard the maintenance claims of the employees

on the estates commandeered, and also those of the estate pensioners; as a result a special fund for the maintenance of the employees on large estates was established by a law of 1922.

In the interests of Czechoslovak citizens who are entitled to receive payment from foreign accident insurance institutions, the effort was made to enable such persons to obtain advances until the further payments could be adjusted by inter-State action; the endeavour was also made to prevent others from suffering any loss owing to the depreciation of foreign currencies.

A direct consequence of the War is the need for welfare work in connection with war victims. Under old Austria there was no work organised by the State on their behalf. The State left this duty to private institutions and indeed right up to the falling asunder of Austria the State made no subventions for work undertaken by private organisations. Having declared that welfare work on behalf of War victims was the immediate task of the State administrative authorities, the Czechoslovak Republic had to start from the foundations. A law of April 8, 1919 defined the meaning of the term war victim and established the duty of the State to look after such persons. Previous to this a list had been made of all the Czechoslovak war victims, first those in Czecho-

slovakia and later those living abroad; medical commissions had been established to examine persons who declared themselves to be war invalids. In the same year of 1919 provincial authorities were appointed to look after the war victims in Prague, Brno, and Bratislava whilst a whole network of regional welfare bureaux was established. In the beginning of 1920 a law determined the amount of the grants to the war victims, such sums now being paid over to them instead of the former maintenance allowances. Owing to the high valuta and cost of living, supplementary allowances in proportion had to be introduced and renewed.

The payment of maintenance allowances, however, does not exhaust this State welfare work. On the contrary it is necessary that the war victims should become responsible members of society once more and that their means of gaining a livelihood should be rendered permanently secure. Owing to the fact that here it is a question of war victims with physical defects and internal and mental complaints, and also of widows and orphans, the welfare work takes various forms. Additional care is taken of such persons, artificial limbs, etc. are supplied to them, training is given to them in technical courses, dealing with their original employment or a lighter occupation allied to it,

small tobacco businesses are lent out to blind persons and to other persons who suffer from some serious disability, as well as to war widows. In order to enable such persons to carry on their businesses they are granted loans without interest, or small dwellings are purchased for them in order that they may carry on some small trade, whilst associations of disabled men are given cinematograph licences, etc. The following table shows the number of persons provided for (in round figures):

	Invalids	Widows	Orphans	Ascendents	Total
Bohemia . .	130.000	80.000	144.000	36.000	390.000
Moravia and Silesia . . .	61.000	27.000	48.600	26.000	162.000
Slovakia . . .	45.000	29.000	52.000	22.800	148.800
Total	236.000	136.000	244.000	84.800	701.400

The unemployment which set in during the transition from war to peace conditions required special legal measures which are discussed in another article of this publication.

As regards the giving of assistance to workers to find employment and the measures drawn up to prevent or lessen unemployment, action has so far been taken only in Bohemia if we exclude the labour bureaux organized by the trade unions, etc. In 1903 there was established a provincial Labour Bureau in Prague and in 1921 the then officials'

Government proposed a bill dealing with the problem of unemployment and being generally in accordance with the resolutions of the International Labour Conference at Washington.

Very considerable sums of money are required from the State in Czechoslovakia for housing. The insufficiency of houses was always very noticeable in pre-War Austria especially in the towns and the industrial centres. Legislative measures were introduced, particularly after 1907, in order to try to cope with the problem, but they were always deficient in boldness or came to nought owing to the fiscal policy of the State. After the declaration of political independence in the territories of Czechoslovakia this housing shortage increased until it assumed the proportion of a calamity. From Vienna there arrived thousands of families, particularly of Czech officials taken over by their own new State, and in addition many business-men and tradesmen; moreover many Czechoslovak subjects now came from the rest of Austria, as well as from Germany, Russia and America. This influx was increased by the arrival of Czechoslovak legionaries, the return of prisoners of war and the emigration to the towns from the country districts of those who made money out of the War. On the other hand it was necessary to establish in Prague numerous new Gov-

ernment offices and institutions, particularly the head offices, for which various existing buildings had temporarily to be commandeered. The same thing occurred in connection with the foreign legations and consulates which are now to be found in Prague and in other large towns. Large financial and industrial institutions and other enterprises which suddenly transferred their quarters from Vienna to Czechoslovakia after the revolution of October 28, 1918 likewise did not order new premises to be built for them but purchased already existing buildings, such as dwelling houses, hotels, etc. In addition to this the cost of building increased in 1919 to 8-10 times, and in 1920 to 13-16 times that of pre-War days.

The housing policy of the Government aimed first at safeguarding tenants from unjustified ejection and from the excessive raising of rents by the issue of regulations known as "Regulations for the Protection of Tenants"; and further, at enabling persons without shelter to find dwellings by the most economical use of every space suitable for this purpose. Regulations on "the commandeering of dwelling-houses by municipalities" were issued, a supplement to them being the restriction of the right to move to municipalities empowered to commandeer houses. Both these

measures were altogether of a negative character and were intended to be temporary. The commandeering of dwelling-houses and the placing in them of tenants who had to take them in spite of any drawbacks, came to an end in the middle of the year 1921. However, the State authorities have still the right to secure for State employees those houses which are vacated by the transference elsewhere of other State servants. Moreover the rules for the protection of tenants are gradually being relaxed by increasing the number of reasons that may be given by a landlord who wishes to eject a tenant, whilst the possibility is recognized of a gradual rise in the rents.

Of more importance are the measures taken by the State in regard to the building of new houses. In 1921 a building law of far-reaching significance was passed. It is renewed from year to year and it obliges the State to pay the interest and amortization of that part of the building expenses which cannot be covered by the rents. The State assists further by making a grant paid either for a period of 25 years, or in the form of one lump sum, or finally in the form of direct loans which enable houses to be built for State employees. The original laws granted assistance only to municipalities, districts, regional areas and public benefit, building societies, but since 1921 they

have guaranteed assistance also to private persons. In the latter case this has been done to a lesser degree but the restrictions relating to the disposal of houses are smaller. Up to the end of the first five years of the existence of the Republic plans were made on the basis of this assistance for the construction of 20,985 houses containing 48,780 sets of apartments at a total cost of 3,663,766,000 Czechoslovak crowns.

A few words are necessary on the subject of children's welfare work. Under Austria this work was left in Bohemia, Moravia and Silesia to the local authorities and to private philanthropy. The endeavour to protect the nation's young people called into existence a large number of children's welfare societies of the most varied kinds and after State independence had been attained it was necessary to strengthen the organization and financial resources of these institutions.

The law of December 19, 1918 on the eight hours' working day prohibited the employment of children who had not reached the age of 14 years and had not completed their obligatory attendance at school. This referred to employment in agriculture and forestry as well as in industry, and in July, 1920 the regulations were extended to include the employment of children, whether by their own parents or by other persons, in do-

mestic work. By a law of June, 1921 the public authorities were empowered to supervise all children not living with their parents and all illegitimate children even in cases where they are under the care of their mothers or fathers. The State authorities were authorized to inspect every kind of institution taking charge of children (such as those for small babies and their mothers, children who are mentally defective, deaf and dumb, blind, or crippled, or refractory children, orphans and deserted children, etc.).

In the territories which were formerly Hungarian there existed in accordance with the law of 1901 a few "children's homes" and state or state-supported institutions for neglected and morally defective children as well as for deaf and dumb and blind children. Such institutions existed particularly in E. Slovakia and in Carpathian Ruthenia where they undoubtedly had the ulterior object of Magyarization. After the revolution they were taken over by the Czechoslovak State authorities in a most unsatisfactory condition. They were therefore thoroughly reorganized and a number of new institutions were established especially for blind and abnormal children. In spite of all the progress which has been made in the sphere of children's welfare work and that for other persons such as the blind, the deaf and dumb, and the

mentally defective, etc. who are dependent on public philanthropy there is still much administrative and legislative work which needs to be done in Czechoslovakia.

It would be unjust not to mention that in regard to social welfare work of the description just given the State authorities are actively supported by the Red Cross which apart from its humanitarian institutions in case of war, has greatly contributed to relieving the State from war-time and post-War social evils.

In 1920 the Social Institute of the Czechoslovak Republic was founded and attached to the Ministry in order to foster scientific knowledge which would be useful also for the legislative and social administration authorities.

It is obvious that in the field of social administration and social welfare the work done in Czechoslovakia is of the most varied character and has already been attended by the most remarkable results. As regards the social insurance of the workers, the care of the unemployed, of war victims, children, and other helpless persons, housing, and the cooperative movement, the Czechoslovak Republic holds an honourable place amongst the most progressive States of Europe; indeed in some directions of social policy it goes greatly in advance of the international agreements.

However there is need for continual further progress which must, of course, be within the economic capacity of the State. "Stagnation in this respect would spell reaction which our workers — who are well educated (at least in Bohemia, Moravia and Silesia), enjoy for the most part a much better standard of living than formerly, are class-conscious and have a strong political sense — would simply not endure", were the words we wrote as far back as the year 1921.

Successful progress would be assured by the concentration of all the social welfare work in one ministry which in addition to its existing agenda would take over the health supervision and social welfare of the agricultural workers and of the miners.

THE EIGHT HOURS' WORKING DAY.

By Dr. EUGENE ŠTERN.

Nearly a quarter of a century has passed since Prof. Masaryk lectured and published a pamphlet "On the Justification and Advisability of Eight Hours' Work", wherein he arrayed all sorts of scientific and earnest arguments in favour of the miners who were then out on strike. And it was just on the day preceding his return to the Republic, to establish which he had done so much, that the National Assembly, wishing to honour him as the first President of the Republic, un-animously adopted a motion of the Socialist bloc by which the law on the eight hours' working day was passed. Prof. Masaryk had always pro-claimed while at the University that *the Czech question was a social question*, and that a 10 mil- lion nation could not advance in importance ex- cept by improving, through its policy, the quality of each of its members. The unanimous adoption of this law (dated 19th of December 1918, N° 91 of Collected Laws, together with corresponding regulations dated 11th of January 1919, N° 11 of Collected Laws, as well as the regulations ad-

dressed by the Ministry of Social Welfare to the provincial administration authorities on 21st of March 1919, N° 4731/III) was meant as a manifestation by which the National Assembly emphasized that the freedom gained by the nation ought also to imply a new social era in the progress of Czechoslovakia's working classes.

The Austrian laws, in force up to then, had fixed an 11 hours' day with 1 hour over-time solely for hands in industrial enterprises conducted on factory lines, i.e. occupying more than 20 persons in a common work-room, while a 9 hours' day was laid down for miners. In cases of necessity as much as 3 hours' over-time was permitted. All other categories of workmen were left without any regulations. It is true that collective contracts in some of the more progressive branches, such as mining and metallurgy, had secured for the workers an 8 hours' day. Yet there were other industries working in two shifts of 12 hours each, even when the workers had to travel 3 hours in order to reach the place of their work.

Let us give some of the chief regulations of that important law. For all employees working outside their homes the effective working time was fixed at a maximum of 8 hours or 48 hours a week. For a number of trades this time was specified in the regulations for the carrying

out of the law at 192 hours for a period of 4 weeks. The distribution, both daily and weekly, of the work within the above limits was left to be settled by an agreement between the employers and employees.

Overtime is permitted by the respective authorities (industrial inspectors) for urgent cases, seasonal work (agricultural industries, building, balance sheet work, etc.), and damage caused by natural forces, etc. Such overtime must, however, be remunerated by extra wages according to an agreement concluded between the parties; nor may it exceed 2 hours a day and last more than 20 weeks or 240 hours in the course of a year.

This law approaches the principle of the *English working week*, in as much as it lays down that at least once in a week there must be granted an uninterrupted pause of at least 32 hours, this pause having to occur, whenever possible, on a Sunday. In the case of women, this pause begins, with the exception of 8 cases specified in the regulations, at the latest on Saturdays at 2 p. m. In establishments run without interruption, the weekly rest must occur on every third Sunday.

The law lays down at the same time a partial interdiction of *night work and tends to protect women and young employees*. Night work, i. e. from 10 p. m. to 5 a. m. is admissible only in enter-

prises with uninterrupted work or when required by public needs, public interests, or by the necessity of repairing damage occurring in the factory, etc. For such night work only male operatives above 16 years of age may be employed, which limit is however to be raised to 18 years in conformity with the Washington Convention on night work in the case of young people.

The employment of women (who, however, must not be under 18) between 10 p. m. and 5 a. m., is admissible only in expressly specified cases, such as theatres, newspaper offices, etc.

Male employees under 16 and females under 18 may be employed solely for lighter work which in no way hinders their physical development, whilst the employment of women for underground jobs is absolutely forbidden.

For employees in rural households and in city families, i. e. for *agricultural servants and domestics* who are hired for a period exceeding one month, a 12 hours' rest is laid down for every 24 hours, 8 hours of this period to take the form of uninterrupted repose in the night, whilst there has to be at least half an hour's rest at midday. Once a week servants and domestics are to be granted 18 hours free of duty, a free afternoon on Sunday or an equivalent period on a working day, being given them whenever possible. These

then are the main provisions of that extensive and important law.

Now let us ask how this law works in practice. First of all it ought to be stated that *with regard to the protection of women and of the young as well as to the interdiction of night work, this law is, with insignificant exceptions, on the whole strictly applied*, the industrial inspectors and the operatives' organisations keeping a sharp eye on the fulfilment of its provisions.

You will, of course, be interested to learn whether the 8 hours' day is also applied in agriculture, seeing that the law extends to farm-labourers, with the exception of farm servants, the same privileges as to industrial workers. It may be necessary to account, first of all, for the causes of this uniformity. When immediately after the foundation of the Republic, the law was being debated in the National Assembly, it was the then Minister of Social Welfare, Dr. Lev Winter, a Socialist deputy who pointed out in the Committee for Social Policy, the difference between industrial and agricultural production and urged that the eight hours' day be accepted in principle and adopted as a salary unit in agriculture, though with the proviso that special regulations should apply to agriculture. A representative of the Agrarian party then rose and declared under the

influence of the universal enthusiasm excited by the regained political freedom that all the rights and privileges that would fall to the lot of town populations must also be granted to the rural classes, and that, therefore, legal measures to be applied to industrial operatives must also be secured for farm labourers. And thus the law contented itself with authorizing the Government to issue regulations stating that the 8 hours' day should not be valid for agriculture, which should be free to fix its own working hours, provided that they did not exceed 192 per four weeks. At the same time agriculture has to conform to the general obligation of demanding permission in advance for each case of over-time. Now, these formalities are not adhered to in agriculture, the organizations of farm hands preferring to conclude with the organizations of agricultural employers general collective agreements by which the workers undertake to perform their work within the limits of 192 hours per 4 weeks with the eventual addition of 240 hours of over-time in the course of a year, and, besides, to accomplish, especially in harvest time, all the necessary work, without the authorities being required to grant permission for over-time. A higher rate of pay is usually demanded for the 11th working hour. Thus as far as agriculture is concerned, practical needs

have tempered the rigour of the law, and its provisions serve to support the labourers only when they are concluding collective contracts or fixing the rate of remuneration for over-time. As already stated, these collective contracts are concluded with a general validity for agricultural work throughout the Republic.

The 8 hours' law is also observed in commercial establishments employing a numerous personnel and in the larger towns one hardly meets with an exception. This state of things is due to the efficient organizations of commercial employees.

It is industrial production, the subject of the Washington International Convention, that claims our chief attention. It is certainly not to be wondered at if in small crafts and in trades in which the master works side by side with his assistants, especially in the country districts, the law is often transgressed. These failings are insignificant, however, in face of the fact *that in the middle-sized and big enterprises, the law has become firmly rooted and is obeyed*, as is borne out by the reports of industrial inspectors. Its rapid coming into operation was due also to the fact that the post-War economic crisis—first a scarcity of raw materials, and later on insufficient sales—prevented a full development of production.

The strictness of industrial inspectors, who in the years 1919-1921 fined transgressors fairly frequently in the matter of over-time, together with the influence of workers' organizations, brought it about that in middle-sized and big enterprises, with few exceptions work was done over-time only on the strength of official permission. The statistics give evidence that, thanks to its elasticity, the law may be said to fall in with practical requirements, and that production has adapted itself to the 8 hours' day. These statistics show that, though demands for over-time were invariably complied with, the benefit of § 6, which allows of 2 hours over-time for 120 days a year, was seldom made use of by industrial enterprises. Let us quote the figures for 1921, when the Czechoslovak Republic exported more than it imported, the low valuta being at that time in favour of large exports.

During the whole of 1921 over-time was conceded to 1.262 industrial enterprises employing 209.000 workers; 75.000 did over-time which amounted to 360.000 working days or 60.000 working weeks. Taking into account that there were about 500.000 industrial establishments in the Czechoslovak Republic with an approximate number of 1,500.000 employees, one sees that only one quarter of all the establishments

availed themselves in 1921 of the right of over-time and that no more than 5% of operatives did such over-time.

The 8 hours' day was brought into operation by republican democracy of which it is one of the main principles.

It is difficult to believe that, without the 8 hours' day, universal suffrage would be of any benefit to workers and that without it the workers could take a hand in municipal administration and support their representatives in Parliament and the Government. The introduction of the 8 hours' day has served to strengthen not only the political, trade-unionist and cooperative activity of the workers, but also their educational and physical training movement. Comprehensive data regarding the workers' leisure hours have been supplied by the International Labour Bureau*.

The law on the 8 hours' day in Czechoslovakia has taken root and has become connected in the minds of the people with the new republican régime. Owing to the high grade of our industry and the progressiveness of our working classes, no doubts could arise *within the country*.

At the close of 1922 and in the course of 1923

* "Revue internationale du travail", July 1924, and a further paper in the present publication.

our national economic life suffered a severe crisis in regard to the sale of goods. This crisis was the consequence of the systematic carrying out of the financial consolidation of the State and the result of this was a pretty rapid appreciation of the Czechoslovak currency which had been brought down by post-War events. This appreciation was accompanied by the depreciation of the currencies of the neighbouring States. This slump affected, the Austrian crown, and especially the German mark, i. e., the currencies of our industrial neighbours and competitors. Their policy of inflation had for a long while shut us out from exportation and plunged our workers in unemployment. No wonder that under such circumstances objections were made by the Right against the 8 hours' day, and that a prolongation of the working day was hinted at as the sole possibility for the bringing down of working expenses. These voices found, however, no echo in Parliament, where the workers' parties form part of the Coalition Government. So this crisis was remedied by a reduction in the prices of articles of daily necessity on the home markets, and this was rendered possible by a rise of our currency and by the technical improvement of our factories.

Germany attained, in the second half of 1923 the highest point in her policy of inflation, where,

upon Czechoslovak industry regained its competitive capacity, and unemployment began to decline. Another factor, however, arose abroad to jeopardize our working day: Germany abandoned in her industries the principle of the 8 hours' day. For the moment, this fact brought about in Czechoslovakia a series of conflicts between employers and employees concerning the interpretation of sundry provisions of our law. Among the former the question has been raised: If this 9 or 10 hours' day becomes established in Germany, will not Germany gravely endanger the competitive capacity of Czechoslovakia?

And so we have come to feel in Czechoslovakia the full importance of an international settlement of the question of working hours. If put into practice by the leading industrial States, the 8 hours' day will be regarded as an international commonplace; if not introduced everywhere, the result will be continued international disputes and conflicts. We feel justified in emphasizing this eventuality because Czechoslovakia ratified, no later than in 1921, the Washington Convention on the working hours in industry, and this ratification is conscientiously adhered to. We ratified it with the confident conviction that the same thing was being done by the other industrial States which had agreed, no less than we, to this principle of

the Versailles Treaty and had, at the I. International Conference of Labour, cast their votes for the Washington Convention. Be it also noted that the foremost among them had adopted, even prior to that Convention, the 8 hours' principle either in their legislation or in practice. *We mean to persevere, yet we are compelled, in order to safeguard our interests, to demand that in this question of universal moment international obligations and the demands of solidarity be observed and fulfilled.*

LEISURE TIME OF CZECHOSLOVAK WORKERS.

By Dr. VLADIMÍR PROCHÁZKA.

The passing of the law on the eight hours' working day ensured for the workers plenty of spare time. The politician cannot pass without notice the question as to how the workers use their spare time. Therefore the introduction of the eight-hours' working day simultaneously involved the problem of the use made by the workers of their leisure time. As is well-known, this question was the first on the programme of the Labour Conference held this year in Geneva, and thus it gave the impulse to numerous discussions. The study of this question was carried out on behalf of the Czechoslovak Republic by the "Social Institute of the Czechoslovak Republic", which has forwarded to the International Labour Bureau an extensive study*, the main contents of which are given concisely as follows:

To enable the worker to utilize his spare time, it must be protected from encroachment. The

* An extract from this study was published in the "International Labour Review", Vol. IX. N° 6, June 1924.

leisure time is protected, as far as the employer is concerned, by the law on the eight-hours' day and by trade inspection: Should the legislature give to the worker the liberty to devote himself, in his spare time after the expiration of eight hours, to further wage-earning work, and thus to defeat the purpose of the eight hours' day?

Czechoslovak legislation has taken a middle course: it never directly prohibits the worker from using his leisure time for money-earning purposes, but it endeavours indirectly to compel him to maintain the eight hours' working day. Thus the law on the eight hours' day (cf. the law of December 19, 1918, N°91, Collected Laws and Decrees) stipulates in its second paragraph that:

"The employer is prohibited from giving the employee who is working in his establishment, work to be done at home, with the object of prolonging the hours of work as laid down in the first paragraph".

An important addition to the law on the eight hours' day consists in the laws relating to the annual holidays of workers and employees. The annual holidays must also be protected in view of their original purpose, that is to say, the recreation of the employee from being used for money-earning work. The Austrian law passed before the War concerning business employees

(the law of January 13, 1910, N° 20, Imperial Code) was the only one amongst the older laws to inaugurate the obligatory paid annual holiday for employees, but it does not contain any stipulations in this direction. This question, however, is treated in the Czechoslovak law of July 1st, 1921, N° 262, Collected Laws and Decrees, by which a paid annual holiday is established for workers employed in the mines for special minerals. According to this law, the workers employed in the mines and concerns connected with them have the right after one year of uninterrupted employment to an annual holiday with pay. The length of this holiday is determined as follows: in the case of employment of at least one year up to five years inclusive, an annual holiday of five days; from five to ten years an annual holiday of seven days; from ten to fifteen years an annual holiday of ten days; over fifteen years an annual holiday of twelve days. The Sundays and saints' days coming during the annual holiday are included and counted as a part of it.

The law endeavours indirectly to protect this annual holiday by the stipulation contained in paragraph 8 as follows:

"Wages are not paid for the days on which the person on holiday has worked during his holiday for other persons and with the object of earning money."

In regard to other categories of workers and employees a bill is prepared, which introduces the paid annual holiday for all employees entitled to sick insurance after one year of uninterrupted service in one establishment. This annual holiday has to be six working days, after one to ten years of uninterrupted service, and twelve days after a longer working period. Young employees of up to eighteen years of age are to have the right to an annual holiday of ten days in a year after six months of uninterrupted work in one concern. This bill also endeavours indirectly to make impossible the utilization for money earning labour of leisure time given as an annual holiday. Here the stipulation is laid down in paragraph 10, col. 2 as follows:

"Compensation for wages according to the foregoing stipulation shall not be paid to persons who during their annual holiday have worked for money for other persons, and the employer has the right, after the ascertaining of such a case, to subtract from the wages the amount paid for the time of the annual holiday."

Also the majority of collective agreements contain stipulation concerning the annual holiday. As far as is known, however, in the collective agreements, paid work for another or the same employer during the time of the paid annual holiday has not yet been prohibited.

These stipulations are directed against the intentional abuse of the eight hours' working day on the part of the worker himself, but there are many causes outside his power which shorten his leisure time. Among them it is necessary in the first place to name one which occurs very frequently — the distance between the worker's home and his place of work — and bad housing conditions in general. But in these directions also numerous measures have been taken in Czechoslovakia. The Czechoslovak State railways are trying to accommodate as much as possible the time of departure and arrival of trains to the conditions of work and to meet the needs of workers by running special workmens' trains; the workers are given special advantages for travelling backwards and forwards to their place of work as well as when travelling to a place where employment is furnished.

Far more important provisions were made in regard to the surmounting of the housing crisis, which towards the end of the War had reached an acute state.*

* It is not possible to describe here the provisions of the housing policy of Czechoslovakia; we call the reader's attention to the publication of International Labour Bureau entitled "Les problèmes du logement en Europe depuis la Guerre", Etudes et Documents, Série G, N° 1;

The most important among these provisions was the State building subsidy (laws: of March 11, 1921, N° 100, Collected Laws and Decrees, of January 27, 1922, N° 45, C. L. and D., of January 25, 1923, N° 35, C. L. and D., of March 7, 1924, N° 58, C. L. and D.). The subsidy largely takes the form of the State guaranteeing a loan on a new structure and binding itself to pay the interest and amortization on the guaranteed loan and if necessary to pay the whole loan. The loan for orphans is guaranteed by the State and thus financial and other institutions, which administrate property that is either their own or is entrusted to them, are enabled to offer loans on new buildings.

It is characteristic of Czechoslovakia that a very large number of workers (industrial and agricultural) have participated and are participating in the building movement. Of the total number of 900 building and housing co-operative societies in the Czechoslovak Republic more than two thirds are workers' societies. Of 6456 family and 392 tenant houses built by the co-operative societies in the Czechoslovak Republic from 1921 to November 30, 1923, the majority were built by workers' societies.

there on pages 430—446 is briefly, but sympathetically described the housing policy of Czechoslovakia.

The workers, however, participate also in the building movement to a large extent outside the societies. Of the total number of houses (4155) with 4667 sets of apartment built by private persons in the period from the year 1921 to November 30, 1923, about 13% went to industrial workers, artisans and clerks, over 11% to agriculturists, agricultural workers and officials, 6% to railway workers, and 4% to miners.

It is noteworthy that the workers' co-operative societies are building mostly family houses with small gardens; they are constructing tenant houses only to a small extent. The housing policy is not only important because good living quarters tend to keep the worker from abusing his spare time and to induce him to marry, but it has also a direct influence in causing the workers to spend a great deal of their spare time on cooperative building and housing and the cultivation of gardens. During the building of his house the worker uses his spare time in helping with the work and this tends to bring the expenses down.

In the question of leisure time steps must be taken to prevent any misapplication of the social policy, which in the first case means the fight against alcoholism and prostitution. The fight is, of course, only beginning. From pre-War times we have inherited only one small legislative

provision, that is, the one contained in the last column of paragraph 78 of the trade regulation (živnostenský řád) which prohibits the payment of wages in saloons and other drinking establishments.

Czechoslovakia has tried to put the fight against alcoholism on to a broader basis: the beginning is marked by the law of February 17, 1922, N° 86, C. L. and D. which prohibits: 1. serving alcoholic beverages beside beer and wine to persons not yet eighteen years old; 2. serving alcoholic beverages of all kinds to persons not yet sixteen years old. For the preliminary study of all provisions against alcoholism there was established in the Ministry of Public Health, by a decree of December 19, 1919, N° 27, C. L. and D. of 1920, a permanent advisory committee. The fight against alcoholism is being carried on in Czechoslovakia also by private organizations, among which the "Abstinentní Svaz" is the most important.

The restriction of prostitution is one of the aims of the law of July 11, 1922, N° 241, C. L. and D. referring to the uprooting of sexual diseases. Also for the fight against sexual diseases and prostitution there has been established a permanent advisory committee by a decree of December 19, 1919, N° 15, C. L. and D., ex 1920. For the present it is not possible to say anything definite about

the results of these legislative provisions, for they are in force for a short time only.

During the discussions of the law on the eight hours' working day doubts were voiced in many countries that the shortening of working hours would result in an increase of alcoholism and therefore in an abuse of leisure time. Our existing statistics of the consumption of alcohol cannot be included here on account of limited space, but now that the production has reached its pre-War figures, they show that the consumption of alcohol is far smaller than before the War. For instance, in 1912—1913 the consumption of beer was 82 litres per person in the lands now comprising the Czechoslovak Republic; in 1921—1922 it was only 47 litres. Of course from these statistics it is not possible to ascertain the occupation of the consumer. Thus it is difficult to say if alcoholism is decreasing generally, or only in certain classes of the population; *but it can safely be said that owing to the influence of the eight hours' working day the consumption of alcohol has not increased*, and today the supposition that the influence of the law in this connection has been favourable, is not without basis.

Already before the War great attention was paid to the different ways in which workingmen in the countries now comprising the Czechoslovak

Republic utilized their spare time. Of course this activity was carried on under far worse conditions than those prevailing today, owing to the worse situation of the workers at that time; the Austrian régime was not favourably inclined to these matters. But a far worse situation was in Slovakia which before the revolution in 1918 was a part of Hungary. After the country became independent in 1918 there followed great progress in all its institutions, to which were added numerous others.

The post-War era brought in a general election law into all public institutions. After the revolution the workers participated more keenly in political activities through their representatives in Parliament, while shop-assistants took part in the administration of communities, etc. Politics absorb part of the leisure time of the majority of the workers. It also is necessary to call attention to the activity of factory committees established by the laws of February 25th, 1920, N° 144, and of August 12, 1921, N° 330, C. L. and D.; the workers work also for these committees in their spare time. Also trade and cooperative activities take up the leisure time of many workers.*

* As regards trade union activity and factory councils, a report is given elsewhere in this brochure; as regards cooperative societies, see the publication: "Genossen-

The workers' political parties endeavour to gain workingmen for their aims not only through direct political activity, but also by other means in order to influence workers organized in their parties, and also to have an influence on workers not yet organized. For this purpose institutions were formed which are busy purely and solely with providing the workers with the means of making a good use of their leisure time. In our country an entirely definite type of such work was formed among the workers; in every workers' political party there are several organizations for different special purposes, which in every party form two groups (physical training and education). As to the methods used, the activities of these parties are to a great degree analogous, but in every party they are coloured according to the view of life and social ideals entertained.

In our country the oldest organization for physical training is called "Sokol". Founded in 1862, it was a national organization which took care of the general welfare of all groups of the nation. Only towards the end of the last century through the gaining of political independence by the

schaftswesen und soziale Fürsorge in der Tschechoslowakei." Politische Bücherei, Band II. Praha 1924. This publication is also issued in French.

workers were independent workers' organizations established which, as regards their organizations and physical training systems, were run on the Sokol model. Thus after 1895 there were organized in different parts of the country workers' organizations for physical training, which in 1903 were amalgamated into the "Union of Workers' Organizations for Physical Training" (Svaz dělnických tělocvičných jednot), which holds Social Democrat principles. Also, the adherents of the Christian Socialist movement formed in 1902 their own organizations for physical training, originally as branches of the Christian Socialist trade unions organizations; these organizations since 1919 have formed an independent body known as "Orel". The German Social Democrat party has its own centre: "Verband der Arbeiter Turn- und Sportvereine der Tschechoslovakischen Republik", situated in Ústí nad Labem. In 1921, after the split in the Social Democrat party, the Communistic "Federation of Workers' Organizations for Physical Training" (Federace dělnických tělocvičných jednot) left the "Svaz". Large numbers of workers, however, remained in the "Sokol"; these workers largely belong to the party of Czechoslovak Socialists, and consequently this party did not form its own organization for physical training. There are,

therefore, in our State five central organizations for physical education. These organizations are cultivating physical training: the Czech organizations according to the system of one of the founders of the "Sokol", Dr. Miroslav Tyrš, and the German organizations according to Jahn's system. These organizations sustained great losses during the War, owing to the absence of the men who went to the War and to the appropriation of their gymnasiums, factors which reduced the activities of the organizations to a minimum. The "Czechoslovak Sokol Union" (Československá Obec Sokolská) was disbanded by the Austrian Government in 1915. After the War the desire for physical culture grew rapidly and caused these organizations to become strong bodies with hundreds of thousands of members. A classification of the members of these organizations according to their social standing shows that in the workers' organizations for physical training (Social Democrat) and in the federated workers' organizations (Communist) about 75 to 80 per cent are workers, the rest being clerks, i. e. party officials, commercial clerks, railroad workers, etc. The same social distribution of membership is found in the German organizations. Among the members of "Sokol" about 30 per cent are workers (according to the figures quoted

in the census of 1910, which gave the percentage of workers amongst the total number of members as 30·6 and amongst the members actually in training as 55·7). The members of "Orel", according to a reasonable estimate, include about 60 per cent of workers. It is evident that in Czechoslovakia the main element from which the members of all organizations for physical training are drawn is that of the workers. This conclusion is also supported by the fact that the strongest and most advanced organizations are to be found in those places which are largely industrial.

A survey of the increase in the number of members in the organizations for physical training is given in the following table :

Year	Sokol		Union of Workers' Organizations for Physical Training		Federation of Workers' Organizations for Physical Training		Czechoslovak Orel		Verband der Arbeiter-Turn- und Sportvereine	
	Organizations	Members	Organizations	Members	Organizations	Members	Organizations	Members	Organizations	Members
1913	1,279	194,321	542	33,748	—	—	193*	7,640*	—	17,422
1915	Disbanded during the war by the Austrian Government			1,901	—	—	—	—	—	—
1917				4,043					546	5,000
1919			1,088	153,201			273	12,960	9,000	
1920	1,982	559,097	1,565	221,232	—	—	565	66,829	20,000	
1921		594,745	191	87,806	—	—			27,000	
1922		571,588	848	92,440	1,049	106,180	1,118	122,182	40,000	

* Numbers for the year 1912.

The participation of women and children in the physical training movement is especially noteworthy. In 1922, for example, the situation was as follows:

	Sokol	Union of Worker Organizations for Physical Training	Federation of Worker Organizations for Physical Training	Orel
1. Male members in training	256,599	18,146	19,476	12,845
2. Male members paying fees only		16,277	19,862	24,379
3. Women in training	103,593	6,180	7,533	10,657
4. Women paying fees only		5,147	5,842	20,994
5. Boys	42,843	7,806	8,269	8,587
6. Girls	37,181	6,120	6,930	8,433
7. School boys	62,012	16,524	18,957	17,787
8. School girls	69,360	16,240	19,311	18,500
Total	571,588	92,440	106,180	122,182

In Nos. 1 to 4 the members are over 18 years of age, in Nos. 5—6 from 14 to 18 years of age, and in Nos. 7 to 8 children between the ages of 6 and 14. In addition to the regular physical training activities the central organizations for physical culture hold at intervals of several years large gymnastic displays etc. (slety) which provide a survey of the work that has been accomplished

by the organization during a certain period. These meetings serve also as a stimulus for further effort, especially when contests are held and diplomas and awards are given. Excursions are made abroad with a similar object in view.

Until the War such congresses were held and journeys abroad made only by the oldest and strongest organization "Sokol", but since the end of the War all the central organizations have conducted them regularly. Of these activities the largest so far has been the Seventh Sokol Congress (Slet) held in 1920 in which almost 100,000 training members (men, women and children) participated. The total expenses incurred were 8,000,000 Czechoslovak crowns.

These organizations use for training purposes either their own or school gymnasiums, or others rented or loaned, playgrounds, places for exercise, bathing pools, skating rinks, riding rooms, etc., and also gymnastic apparatus of all kinds and gymnastic costumes. The Sokol organization has the largest resources, and in 1923 it had in its own possession 337 gymnasiums and about 400 playgrounds and places for exercise. In 1923 alone were opened 43 gymnasiums, which the members themselves, especially those who were workers, helped to build in their spare time. The importance of organizations for physical training

and sport early led in our country to the manufacture of apparatus for training and other purposes and of various things needed by the organisations; this caused the creation of special industries of a highly technical character which are capable of conducting an export trade and of competing on foreign markets. All the central organizations take good care that their members have skilled teachers for whose benefit special courses are held. In addition to the instruction in physical training and light athletics, courses of instruction are also given in general education, pedagogy, and in medical and scientific subjects. Besides these organizations for physical training the Czechoslovak workers have also founded special organizations, such as cyclists' clubs, tourists' clubs and several bodies of scouts (Skauti Práce, Skauti Spartakovi).

Very important are the endeavours made to organize systematically the workers annual holidays. These attempts were made possible only by the inauguration of the laws on workers' paid annual holidays and by collective agreements, as mentioned above, and have been carried on by sickness benefit societies (nemocenské pokladny), trade unions, factory committees, and other corporations. Thus, since 1920 the "Workers' Academy" (Dělnická Akademie) has established

tent colonies for children and adults and has arranged sojourns for workers in health resorts. These activities were taken over in 1923 by an independent organization — "Svépomoc" (Self-help).

Large numbers of workers participate also in *the sporting activities of sport organizations, which are of a general character and not exclusively for workers.*

We have not yet complete statistics on the occupations of members, but we estimate that about one third of the members of the "Czechoslovak Sport Society" (Československá Obec Sportovní) are workmen. Football is in very high favour among the workers who share in the game either as players or as onlookers. "The Czechoslovak Football Association" (Československá asociace fotbalová) had towards the end of 1922, 1,049 clubs with 103,901 members; during 1922 its clubs played in 32,015 matches, in which 61,000 players took part before audiences totalling 2,860,000 people.

The State is working for the progress of physical training either directly by providing instruction in it, or indirectly by *helping on the activities connected with the advancement of physical education.* Very important in this respect is the decree of the Ministry of National Instruction of

January 17th, 1919, No. 2621, which urgently recommends school councils, to comply to the fullest possible extent with the request from physical training organizations for the loan of school gymnasiums. State help to these organizations is also given in the form of special courses for members of physical training and sporting organizations; these classes are largely attended by workers. Further, the State gives direct money support.

In the budget items of the Czechoslovak Republic relating to the Ministry of Public Health and Physical Training, the following sums quoted in Czechoslovak crowns were proposed for purposes of physical education: In 1920: 650.000; 1921: 1,340.000; 1922: 3,450.000; 1923: 6,250.000; 1924: 4,000.000. (The figures include expenses for physical training in Carpathian Ruthenia.)

Among the workers in Czechoslovakia an even greater activity is shown in regard to *education* than in regard to physical training. As in the case of physical training the national organizations like "Sokol" at first looked after the education of workers; but soon the workers made themselves independent even in this field. Towards the end of the late century numerous workers' educational associations were formed in the Social Democrat party. In 1895 these were amalgamated into a central organization, the so-called "Work-

ers' Academy" (Dělnická Akademie). In this task several social reformers belonging to university circles participated. As the political situation developed among the Czech workers further centres were organized for educational work, and today every workers' party has its own educational centre.

There are now in existence the following workers' educational centres, all with head offices in Prague: "*The Workers' Academy*" (Dělnická Akademie — founded in 1895 — under the influence of the Social Democrat party); "*The Central Workers' School*" (Ústřední škola dělnická — founded in 1897 and supported by the party of Czechoslovak Socialists); "Zentralstelle für Bildungswesen" (founded in 1919 by the German Social Democrat Party); "Proletkult" (founded in 1921, forms a part of the organization of the Communist party in Czechoslovakia); "The People's Academy" (Lidová akademie — founded in 1922 by the Populist party, formerly the Christian-Socialist party). Every organization directs its educational policy in accordance with the general views and aims of its own political party; for an example in methods of work they were able to look to the oldest association, "The Workers' Academy". As in the case of the organizations for physical training, these educational

associations also suffered during the War. Their activities were reduced to a minimum or were rendered impossible. "The Central Workers' School" was disbanded during the War by the Austrian Government.

Owing to the fact that it is impossible to give here the details of the extensive activities of all these central organizations, we shall describe briefly only the oldest of them, "The Workers' Academy". This organization included in 1923 12 regional and district branches, 56 county branches, and 136 local bodies. It had in that year 3,562 regular members, and 290,246 outside members (introduced through trade and political organizations which paid their association fees).

"The Workers' Academy" carries out its policy of spreading general and specialised education in the first place by *establishing libraries and reading rooms*. The library of "The Workers' Academy" in Prague was established in 1897 and contained 610 volumes; in 1907 it had 3,365 volumes and in 1923 7,778 volumes. This library was transformed in 1919 into "The Central Library for the Study of Socialism" (Ústřední studijní knihovna socialistická) and former travelling libraries of "The Workers' Academy" became independent libraries of country workers' organisations.

Perhaps the most important activity of "The

Workers' Academy" takes the form of the conducting of schools and of educational courses. "The Workers' Academy" held during the years 1895 to 1924 an average of 5 to 8 courses every year, mostly language courses. Each covered from 24 to 48 hours teaching and on an average 22 students attended, for each hour. Since 1919 this branch of activity has made very extensive progress.

"The Workers' Academy" has arranged the following:

Year	Schools and Courses	Total number of hours	Number of persons attending
1919	61	1.758	65.203
1920	103	4.020	128.167
1921	88	4.306	180.816
1922*	67	3.699	133.046
1923*	88	3.654	97.430

The organizing of these enterprises consists of the Socialist School (in 1920 in two semesters), schools for the training of public speakers, schools run by factory councils, etc. Among the most important courses are those in commercial science, health culture, in social education, in art-education,

* The decrease of activity in the years 1922 and 1923 is explained by a split in the Social Democrat Party in 1921 and the formation of a new educational centre, "The Proletkult".

in languages, in certain trades, courses for Socialist journalists and various special courses for women.

Of considerable importance are the *lecturing activities*, which began in 1897; before 1918 complete series of lectures were occasionally delivered, but since 1919 they have been given systematically. In 1923 "The Workers' Academy" held 41 series consisting of 153 lectures, which were attended by 21,016 persons (i. e. an average attendance of 137 persons at each lecture). Besides these series there were held in that year 598 other lectures with a total attendance of 385,662 persons. "The Workers' Academy" holds also special classes for children, young people and women. Of particular importance are the courses for women on social education and hygiene, and the various practical courses in such subjects as domestic economy, etc.

The "Workers' Academy" pays also great attention to the *cultivation by the workers of a taste for the arts*. At first, only theatrical performances were held in public theatres with a low price of admission, or with free admission for unemployed persons. In 1919 several theatres were rented and series of performances were held, as for example cycles of operas by native composers, Ibsen's plays, or plays by Shakespeare.

In 1919 the initiative was given for the establishment of "The Socialistic Theatre" (Socialistická scéna). The "Workers' Academy" held in 1923 48 performances in which 42.753 persons took part. In addition to these efforts lectures are given on dramatic art and music, evening concerts of vocal and orchestral music are provided and Sunday morning performances are held in theatres. "The Workers' Academy" in this branch of its activity devotes its attention to children (arranges performances in theatres, concerts etc.).

All this work is accompanied by lively publicistic activity. "The Workers' Academy" publishes a monthly educational magazine called "The Workers' Education" (Dělnická osvěta) which is now in its tenth year, and has a circulation of 5.000 copies. The Academy has also issued thousands of copies of lectures delivered by the Socialist School, correspondence instructions for speakers, trade text-books, instructions for popular evening entertainments and for children's parties, pamphlets, etc. Similar activity to that of the central office in Prague (the figures given herein refer to the central office only) is carried on by the county branches of "The Workers' Academy". In Slovakia, where during the Magyar régime no such enterprises were known, this activity is a novelty.

The other Socialist educational centres work in a similar manner*. "The Central Workers school" (Ústřední škola dělnická) established in 1921 an evening "Realgymnasium" for workers, i. e. a school, in which those passing out secondary schools could complete their education, so as to be able to join in the following year the fifth class of the reformed "Realgymnasium."

The Populist party founded in 1921 in Brno "The People's Social School" (Lidová škola sociální). The Proletkult established "The Dědrašbor" (Dělnický dramatický sbor — Workers' Dramatic Society), which has acquired some measure of fame on account of its cultivation of group recitations as an independent expression of art. Further the organizations for physical training already mentioned carry on enterprises of an educational nature. They have formed various dramatic societies, musical circles and libraries, and hold lectures, evening entertainments, etc. It was one of these centres for physical training which endeavoured to give a survey of what the workers are doing in their time of leisure. "The

* Educational work among the workers in Czechoslovakia is discussed also in "Die Internationalen Arbeiterbildungsbestrebungen". Bericht über die Arbeiterbildungskonferenz in Brüssel 1922. Internationaler Gewerkschaftsbund, Amsterdam 1923.

Federation of Workers' Organizations for Physical Training" (Federace dělnických tělocvičných jednot) held in 1923 a large exhibition of work done by workers.

As in the case of the physical training organizations, some of the specifically educational associations devote themselves to special tasks. Thus, for example, "The Obroda", an organization of Social Democrats, who are without any confession of faith, works in the progressive spirit for the moral and intellectual uplift of workers who have left the Church. A similar work is carried on by "The Federation of Communist Educational Organizations" in Prague (Federace komunistických jednot osvětových — bezvěrců). The name of the "Association of Abstinent Workers" (Sdružení dělnických abstinentů) reveals the nature of its programme. Then, too, the workers' singing societies have attained great prominence. The fostering of musical education is accompanied by the publication of brochures and by the arrangement of lectures and instruction courses. The various societies hold their own concerts; "The Association of Workers' Singing Societies" (Svaz dělnických pěveckých spolků) holds an annual concert, in which, in 1923, 460 singers participated. This Association in 1924 played an imposing part in the celebrations held

in Prague in honour of Bedřich Smetana and was represented by 1.000 singers. There are also numerous workers' societies of mandoline players and dramatic societies. "The Association of Czechoslovak Workers' Dramatic Societies" (Svaz dělnického divadelního ochotnictva československého) has now a membership of over 300 such societies and publishes its own monthly magazine. This Association has founded "The Workers' Theatre" (Dělnické divadlo), a purchasing, manufacturing, building, credit and publishing cooperative organization, the main task of which is to help with the erection of new stages. The esperantist movement has many followers among the workers, and has had since 1922 two centres, one in Prague and one in Pilsen.

Besides these organizations founded and managed by the workers themselves, there are other citizens' non-political associations which have great importance from the point of view of the education of the workers. The largest of these is "The Educational Association" (Osvětový Svaz) founded in 1906 for the purpose of uniting all the existing educational organizations, and especially the teachers and educationalists from universities and public schools. The activity of this Association manifests itself in the establishment of public libraries and reading rooms, the publishing and

66
X:9.5925.N2
F4
1898

distributing of good books and periodicals, the holding of lectures, discussions and entertainments, the organization of educational work, and in advisory work, etc. The workers play a large part in these efforts. The Association has local country and district educational boards, (with these we shall deal later) and has now a membership of 700 organizations and corporations (including village and district communities, etc.), amongst which there are 150 educational boards (osvětové sbory). After the revolution of 1918 the activity of the association was extended also to include Slovakia, where hitherto no similar work had been carried on.

A certain portion of the tasks of "The Educational Association" (Osvětový Svaz) was taken over by the Czechoslovak legislature. The Czechoslovak National Assembly even in its first year of existence passed two important laws dealing with the educational activity carried on outside schools. These laws are those of February 7th, 1919, N° 67, Collected Laws and Decrees, on the organization of popular courses in political science, and of July 22nd, 1919, N° 430, C. L. and D., on the village public libraries.

In accordance with the terms of the first law there are being held lectures, series of lectures, educational courses, courses for unemployed,

courses in language and in different trades, people's elementary schools with courses lasting for a short period or for a whole year, with the curriculum of the municipal schools, people's secondary schools, and the so-called people's universities. The expenses are largely paid from the amount set aside annually in the State budget for popular education. For the organization of this branch of the work the Ministry of Schools and National Education established throughout the whole Republic district educational boards (Czech, German, etc.), and in the villages local educational committees (also Czech, German, etc.). Up to the end of the year 1922 there were formed 467 district educational boards, and 6.500 local educational committees. In the same year were organized with State assistance 10.000 lectures, 2.000 courses of lectures, 70 people's schools of the above, mentioned types, 2.000 amateur-theatres, 500 marionette-theatres, 300 popular entertainments, 500 entertainments for children, 200 recitations and song recitals (akademii) and 53 exhibitions. To promote and facilitate these activities the Ministry of Schools is editing inexpensive popular publications.

In accordance with the second law every village has the duty of establishing and maintaining a public library. At present the law has been put

into effect only in villages with a population of over 400 people; the villages with from 300 to 400 inhabitants are allowed a period of grace until the end of 1924, and still smaller villages until the end of 1929. The libraries are maintained from the regular village finances and are directed by the library board appointed by the village council; one half of the library board is composed of those members who are judged to be the most zealous readers. The law also pays attention to the needs of national minorities, for which special libraries are maintained, or, in cases where this is not practicable, special branches are added to the village libraries and supervised by a board of members of the national minority. According to statistics, there were in the Republic towards the end of 1921 7,433 village public libraries* (of these 1,646 were German) and of 11,465 village communities 64·8 per cent have established libraries. The expenditure of the villages on their libraries was in 1922 three to ten times larger than the minimum fixed by the law (50 to 80 hellers per citizen according to the number of

* The number of village public libraries in Czechoslovakia given in International Labour Review, Vol. IX, No. 6. Page 980, is not correct. The numbers herein quoted were sent to the International Labour Bureau by the Social Institute of the Czechoslovak Republic.

inhabitants). At the end of 1921 the Czech public libraries had 1,079.234 volumes, the German 602.734, the Polish 2.437, and one Jewish library had 1.770 volumes.

There was a total of 411.192 regular readers, who borrowed in 1920 6,355.577 books. The receipts of libraries amounted in 1921 to 8,007.327 Czechoslovak crowns, of which amount the villages contributed 5,814.145 Czechoslovak crowns.

The scope of the law on public village libraries has so far not been extended to include Slovakia, as the people there are not yet prepared to take the necessary steps; therefore libraries of various associations are functioning as public libraries with financial assistance from the State. In Slovakia are 160 circulating libraries, with an average of 56 volumes each (of these libraries 120 were founded by the State). For the education of public librarians schools are maintained which provide a one year course of instruction, the Czech schools being in Prague and the German in Ústí nad Labem; in addition, other courses are held for librarians which in 1921 numbered 282.

The State helps in the execution of this law on libraries not only with moral assistance, but practically, specifying in the annual budget a sum

of money for the support of the public libraries.* The State administration department also subsidises every year up to the limits of its financial capacity the workers' educational associations.

Great attention to the utilization of leisure time is paid also in the schools. In the State industrial and trade schools are held free evening and Sunday courses for workers in the school buildings. Whole-day courses in periods outside the working season, or during a time of specially great unemployment; travelling courses (kočovní kurzy) with evening and Sunday sessions, and outside the working season whole day sessions, and finally public drawing instruction rooms (veřejné kreslírny). In 1922—23 these courses were attended by 4,668 people. In the State trade school in Bratislava and in the State trade school in Pilsen special workers' classes are conducted, in Bratislava for builders (attended in 1922—23 by 65 pupils), in Pilsen for locksmiths, electricians and cabinet-makers (1922—23, 141 pupils).

* Detailed statistics of the village public libraries are given in the publication of the State Bureau of Statistics: »Veřejné knihovny v Čechách, na Moravě a ve Slezsku« (Bibliothèques publiques en Bohême, Moravie et Silésie en 1921), Praha 1923. See also: Dr. Zdeněk Tobolka: »Les Bibliothèques publiques dans la République Tchécoslovaque«, Librairie ancienne, Honoré Champion, Paris 1924.

The State provides many other means which contribute to the spare time education of the workers; various evening courses for women and girls, public secondary schools for girls (lidové dívčí školy pokračovací), classes in agriculture and in commercial science, and high school courses. The State also assists the workers' organizations by lending school rooms for educational activities. *The financial assistance given by the State* is evident from the amounts allotted in the State budget by the Ministry of Schools and National Education for popular education (lidovýchovu): In 1919 418.000 Czechoslovak crowns; in 1920 2,504.086; in 1921 3,875.468; in 1922 5,149.297; in 1923 6,747.153 and in 1924 5,308.767. (These figures include the expenditure for popular education in Carpathian Ruthenia.) A source of financial help to workers' educational activities is also the law of February 25, 1920, No. 143, C. L. and D. which deals with the participation of employees in the administration of the mines and their share of the net profits.

According to the twelfth paragraph of this law, the employees benefit to the extent of a ten per cent share in the profits which is to be devoted to the promotion of useful works among the employees. Among these are many institutions devoted to the cause of wise utilization of the

workers' leisure time. The sum expended in this manner in 1922 was 4,749.218 Czechoslovak crowns.

To sum up it can be said that in comparison with the pre-War period great progress has been made in the Czechoslovak Republic in the wise utilization of the spare time of the workers. This is evident even in a cursory glance at the few figures quoted, to which, on account of limitations of space, we have been restricted. From 1919 progress was made in the activities on all sides until the years 1920—1921. Then set in a period of stagnation, and in certain branches even of decline. This can be accounted for by the economic crisis, which caused periods of acute unemployment among the workers. The crisis occurred in 1921. Then the split in the organizations of the Czechoslovak workers which took place in that year also had for some time an unfavourable influence. But lately there has been again noticeable a gradual improvement, although it has not yet been possible to collect statistics. In all cases, however, the various activities, with which we have dealt above, stand on an incomparably higher level, than before the War — both in regard to the number of them as well as to the quality of the work accomplished. There remains for solution the question as to the extent to which

this great progress is due to the legislation on the eight hours' working day. It is certain that the impulse towards physical training and educational work was already strong among the workers before the War, but only the introduction of the eight hours' working day has made this great progress possible. It must be recognized also that the growth of the power of the working class which has resulted from the social revolutions following the World War and expressed itself in all countries, plays a large part; yet only the eight hours' working day has enabled the workers to utilize their time to full advantage.

INDUSTRIAL COUNCILS AND COMMITTEES.

By JOS. BERÁNEK.

The Industrial Councils and Committees are with the exception of the legalization of the 8 hours' day the most valuable assets of the working class in Czechoslovakia. Their activities obviously attract not only the attention of the employers and employees, but also the scientific interest of national economists and socialists. As the Czechoslovak Republic — along with the neighbouring German and Austrian Republics — is doing pioneer work toward a new regulation of the relationships between employer and employee, fighting for the victory of democracy also in the spheres of production and distribution, her experience with the Industrial Councils and Committees has a bearing on the social policy of other States. It may in many points become even more instructive than that won in Germany and Austria. This for the following reasons: of these States Czechoslovakia has attained approximately normal conditions, and the development of this institution can be studied there on a broad basis; in Germany and in Austria the problem touches workmen of

a single race, of a common culture and a common way of thinking. Even though economic and political conditions in Germany and Austria are full of disquietude — which of course causes the work of the Industrial Councils to be disturbed, the workmen nevertheless have a real sense of discipline and systematic organization. For the world at large the experience gathered from the activity of the Industrial Councils is the more interesting in that the Czech workman, though as advanced as the workmen of the neighbouring republics, is more sanguine, and like the Slavs, is rather inclined to be visionary.

Those coming from States with a working class less mature or well-organized will no doubt be interested in our experience gained in the most easterly corner of the Czechoslovak Republic in Carpathian Ruthenia where the people are backward owing to their having been kept down and neglected under alien rule. It may be difficult to form a judgment on the activity and value of the Industrial Councils and Committees in Czechoslovakia, but it is all the more worth while, because the country also has German workmen who possess the abovementioned qualities of the proletariat beyond the frontier, but can apply them here under more advantageous circumstances.

Before dealing with the question as to the ex-

tent of our satisfaction with the Industrial Councils and Committees in Czechoslovakia, let us make a few statements concerning their foundation, purpose, and range of activity.

The Industrial Councils and Committees in Czechoslovakia have been called into existence largely under the influence of the revolutions in Russia, Germany and Austria. They were a partial surrender to the proletariat, who were then loudly demanding a socialization of production, especially production of a highly concentrated character, as is the case in mining concerns. Industrial Councils and Committees signify the first step toward democracy in the economic field; they were, however, not established under the direct revolutionary pressure of the proletariat, but are the work of a democratic compromise made by representatives of all classes in the legislative bodies. The revolutions in other countries formed the moral background to these negotiations. It must be stated that the formation of the Industrial Councils and Committees occurred in the year 1921 when the waves of revolution were already abating and the respective councils in Russia, Hungary, Italy, had been done away with. For this reason in spite of the influence which the post-revolutionary period had on their rise, the Czechoslovak Industrial Councils are more akin

to the former boards of advisers than to any revolutionary bodies. Being a work of compromise they are based on the given economic conditions and in accordance with the progressiveness of the workmen; they rest thus on solid ground and are a serious factor in the management of production and distribution.

Mining councils.

A reader not conversant with the actual condition could be misled by the fact that the institution is styled a "council" or "committee". It must therefore be borne in mind that all mining concerns in Czechoslovakia possess "councils" established by the law of Febr. 25, 1920, and all other profit-seeking establishments have "committees" introduced by the law of August 12, 1921. The former are a greater benefit to labour, because the mining industry is highly developed and because they were formed a year earlier than those in other industries. Their composition as well as the extent of their rights are defined by the following regulations:

An industrial council is to be established in each independent mining concern except blast furnaces, if it employs at least 20 people and has existed for at least six months.

The duties of an industrial council are : to help in superintending the enactment of legal and official regulations on the protection of labour and hygienic conditions, and to take part in commissions. The industrial council has, further, to present motions concerning the improvement of production ; to investigate the manner in which agreements on wages are put into operation ; to keep order and discipline in the establishment ; to mediate in disputes ; to be responsible for the dismissal of the employees ; to maintain or help in maintaining charity institutions for the employees ; and to act as auditor on the books or yearly balances.

The industrial council is not authorized to meddle with the administration and the operation of the concern by giving independent orders.

The industrial council in concerns with 20 to 100 employees includes three members, and may be increased up to 17 members if the number of employees exceeds 4000. Employees and officials may be represented by one member on the industrial council, if it includes at least five members, and by one additional member for each additional 5 members of the industrial council.

Members of industrial councils and their representatives are elected by direct and secret vote ; in concerns with over 100 employees the elections

are conducted according to the principle of proportional representation. Where the representation belongs to employees, the voting will be conducted separately.

If at the time of the announcement of elections they have been employed three months in a concern, are 18 years of age and possess citizens' rights, all persons employed, without regard to sex, are entitled to active voting rights. Employees who have been at least six months in a concern, have three years of mining experience and are over 24 years of age, are eligible. Foreigners may vote or be voted for on the principle of reciprocity.

The industrial council is elected for a period of two years; on a request of two thirds of those authorized to vote, the district mining authorities may dissolve it and announce new elections. The function of a member of the industrial council ceases if he leaves his employment.

Membership on industrial councils is an honorary function. The members may receive compensation only for earnings lost while in office. The proprietor of the concern may not interfere with the employees while they are exercising their right to vote, or are engaged in their activities as members of the industrial council. Members of industrial or mining councils may be dismissed from

service during the period of their function only upon the agreement of the court of arbitration. This agreement is not required in the following cases; if the member of the industrial or mining council was lawfully condemned for a crime, an offence or transgression against public morality; furthermore, if he has dealt in a wrong way with his employer, his substitute or with a member of his family, or with a fellow-employee, especially if he threatened his liberty of conviction, or if he offended the above-named persons.

The administration of the concern is represented on the industrial council by one technical and one business official as an advisor. The manager of the concern is present at meetings of the industrial council and the industrial management. The industrial council is authorized to invite the advice of representatives of trade unions and experts.

Industrial councils of certain mines elect their mining council. In the whole State there are only nine such councils, because there exist only nine mining districts. The mining council has for every 10.000 employees 10 members who are increased up to 35 members for 50.000 employees in one district. The mining council will be elected by proportional representation for a period of two years. Eligibility for mining councils is the same as for industrial councils, but one fourth of the

members may be non-voters and include representatives of trade unions.

The duties of the Mining Council are :

1. to work out a programme according to which the whole district is responsible for the enactment of laws on Industrial Councils,
2. to settle disputes between the industrial management and the Industrial Council,
3. to cooperate in working out uniform working regulations for the whole district; a change in working regulations should be made through an agreement with the Mining Council,
4. to cooperate in the settlement of collective agreements and working agreements agreed upon by trade units, and to see that they are observed,
5. to assist in obtaining employment,
6. to cooperate when prices are determined and coal distributed,
7. to decide upon the disposal of shares of net gain made by the mining council for general usefulness to employees,
8. to present at least once a year a report on their activities and on the financial result of their management.

Beside the mining committee a special department of employees should be appointed which should handle special questions of employees.

To cover the expenses connected with mining and Industrial Councils and other arrangements established by them, contributions are collected by deduction from wages and salaries, the amount of which is settled by the proper supervisory State authorities.

These are the principal regulations concerning industrial and Mining Councils.

*Participation of Employees
in the Administration of Mines and
their Share in the Profits.*

Contemporary with the law on Industrial Mining Councils there was adopted in Czechoslovakia a law on the participation of employees in the administration of mines and their share in the net profits. In accordance with this law there was established in each concern with over 100 employees a so-called Works Council which was responsible for a number of tasks common to all Industrial Councils. The Works Council includes seven members, of whom four are appointed by the employer, two are elected from among all the Industrial Councils of one concern, and one is elected by the employees' minorities on all the Industrial Councils of one concern.

The employer is obliged to present to the Works Council a) every three months a report

on the business activity, b) yearly reports for the preceding year, c) a balance sheet with account of profits and losses, d) suggestions regarding the distribution of net profits.

The share in profits accruing to employees is based on the system of the distribution of 10% of the net profits. The share of the employees in net profits shall be settled by the Mining Council.

The employees judge this law very critically. It should be borne in mind that the above-mentioned 10% of their share in the profits cannot be considered as a bait to force the employees to increase production, because this would be of advantage merely to the shareholders. If Industrial, Works and Mining Councils endeavour to encourage more efficient work, they do not do it with the intention of increasing their share in the net profits but rather to enable the concerns to reduce the prices of coal as well as to pay wages which make possible decent living conditions.

The share in the profits, therefore, should be considered as a tax on the employer by which he makes a contribution to the social needs of his workmen. The mining industry gives the Mining Councils about 5 millions crowns yearly as their share in the net profits. This sum is used for various social purposes — as contributions to miners' pensions to enable sick miners to sojourn in

spas especially in Bohdaneč where the Mining Councils are joint proprietors, to enable the children of miners to have a summer vacation in the country or at the sea, etc. Recently efforts have been made to establish a number of homes for old and needy miners.

This use of the workmen's share in the profits, therefore, makes the whole arrangement more human, it shows that the workers do not make their standard of life dependent on a proportionately small portion of profit obtained, but on a satisfactory wage agreement.

Industrial Committees in other Concerns.

A year and half after the legalization of industrial and Mining Councils, a law on the establishment of Industrial Committees in all other profit-earning concerns was adopted by the legislative bodies of the Czechoslovak Republic (Law of Aug. 12, 1921 N^o 330, Collected Laws and Decrees, executive order of Dec. 23, N^o 22 Collected Laws and Decrees). This law is not as far-reaching as are the laws on mining concerns, as is witnessed by its name. In 1921 the word "councils" seemed to be too revolutionary to a large number of legislative corporations, therefore the expression "Industrial Committees" was used.

Industrial Committees are formed differently from the Industrial Mining Councils, as well as from those established by Austrian and German laws, where Industrial Councils exist in concerns with 20 employees. In Czechoslovakia there must be at least 30 employees.

In addition to this the Czechoslovak law does not solve the problem of the industrial representation of workers in concerns with less than 30 employees. This in Austrian and German laws is provided for by the legally organized election of workmen's advisers.

The duties for which Industrial Committees in non-mining concerns are responsible, are similar to those of Mining Industrial Councils and substantially in agreement with the activities of the Industrial Councils in Germany and Austria.

Industrial Committees are in the first place responsible for defending and stimulating the economic, social and cultural interests of the employees. They are especially called upon to control the maintenance of wages, and the working agreements and rules, entered upon by the interested organizations of employers and employees. Industrial Committees are not entitled to create independently collective agreements, because such settlements made by trade unions usually affect the whole section or region of production and are

more useful in the economic life of the nation as a whole than could be an agreement made by individual Industrial Committees. Industrial Committees provide also, that the agreement for the welfare of employees be properly observed, namely protection against accidents, hygienic conditions in works, insurance of employees, etc. The field of their activity also includes cooperation in the maintenance of discipline and order in the concern, as well as responsibility for the existence of friendly relations between the management of the concerns and the employees, and among the employees themselves. One of the most significant tasks of the Industrial Committees is their cooperation in the case of the dismissal of employees. The Industrial Committee is authorized to protest to an Arbitration Commission against the dismissal of any employee who has been employed in the concern for at least three successive years, if it considers the decision too severe or groundless.

The Arbitration Commission, composed of an experienced judge as chairman, one neutral expert, two representatives of the employees, and two representatives of the employers, decides on the claim; and if it finds that the dismissal has taken place because the employee is engaged in some public activity, or because of membership in a political or trade organization, or if the dismissal

seems to be a severe injustice in consideration of the prevailing conditions in the concern, it may forbid the proposed dismissal.

The Arbitration Commission may decide in such a case, that the employer shall take back into his employ the dismissed employee, and compensate him for the earnings lost in the meantime, or that he secure for him some other employment, or that he grant him "paying-off-money", which shall cover from one to four weeks wages. From the first, efforts were made to interpret this legal agreement in such a way that the employer might himself choose one of these three courses. Because of their unequal value, this interpretation of the law could not long exist as the employers usually chose the method most convenient to themselves, namely, the granting of "paying-off-money", which was a comparatively small amount. Therefore a decision has recently been adopted whereby the Arbitration Commission shall alone have the power to determine the manner in which the employee shall be recompensed. This, of course, is of great importance to the employee. The above-mentioned law decreases to some extent at least the anxiety of a worker in the face of an uncertain "future", an anxiety which pervades his whole life like a curse, which causes, especially to conscientious workers,

many bitter days in their old age, and poisons all their joy in life. The significance of the protection of the rights of an employee in his work is witnessed also in the fact that a workman who has certain rights in the concern appreciates his own responsibilities to a greater degree and has a more personal interest in his duties. The old Czech farmers used to say that the best servant is he who says "my horses" and "our fields", in other words, he who feels at home in the household. Workmen and officials can work with real devotion only if they feel at home in the concern and if the sword of Damocles does not hang forever above them, in the form of a constant fear of losing their employment and consequently their daily bread.

In addition to the duties cited above, there are a number of economic and administrative duties to be performed by the Industrial Councils, such as suggestions for improvement in methods of work, the improvement for example of technical equipment, of working methods, etc. The section of the Industrial Committees concerned with efficient management sends representatives to meetings of the administrative councils and boards of auditors of joint-stock companies, and other limited liability companies with a capital of at least 1,000,000 Kč.

This section must also be consulted whenever the dismissal of a large number of employees is contemplated.

Industrial Councils are elected for a period of one year with a proportional representation of *the minorities* and are composed of from 3 to 20 members and the same member of substitutes. An Industrial Committee consisting of three members is elected in concerns with from 30 to 60 employees. A voting right in the Industrial Committee may be acquired by employees who are upwards of 20 years of age, if they have been at least 3 months in a concern, and if their right to vote has not been forfeited by a sentence of the court of justice. Employees who are at least 26 years of age, and have worked for 12 or 6 months respectively in one concern and at least 3 years in the same trade, are eligible for election.

Members and substitutes may not be dismissed from work without the approval of the Arbitration Commission, unless they have committed some act which according to the existing legislation demands immediate dismissal.

The functioning of Industrial Councils and Committees in Czechoslovakia has been satisfactory up to date. The initial difficulties arising from disputes about the interpretation of the wording of the law have been almost settled. The

antipathy of certain classes of employees toward these Industrial Committees has largely disappeared and they are finding favour with much larger numbers of employees than was the case during the first year of the law's operation. An unwillingness at first on the part of workmen to accept these Industrial Committees was due partly to the agitation of members of the Communist Party, who urged that the law on Industrial Committees was a fraud the object of which was to turn the proletariat away from social revolution, and that a number of employers had put into effect the principle that the law and its regulations, which in some cases were more convenient than the collective agreements accepted by trade unions, had been enacted for their own benefit and not for the workmen. This point of view could not be permanently sustained because the law on Industrial Committees does not cancel collective agreements; on the contrary, it demands that these agreements be observed. In the course of the functioning of the Industrial Committees and in the findings of the Courts of Justice it has been agreed that the law on Industrial Committees as well as all protective social laws represent merely the minimum of the employees' rights and cannot be overstepped to the disadvantage of the employees since this would mean a complete

misinterpretation of the law, but it may be overstepped by agreement to the advantage of employees. If any of the protective social laws came to be regarded as the maximum of rights of those for whom they were adopted, then the law would not only lose its meaning but it might become a handicap for the further development of social progress. If, therefore, there is a discrepancy between the law on Industrial Committees and the collective agreements, the regulations of the collective agreements are valid in so far as matters not covered by the law are concerned. Moreover if on any point the regulations of the collective agreement are more advantageous to the employees than the similar regulations of the law, then the terms of the collective agreements are accepted. The law on Industrial Commissions, for example, does not give the Industrial Committee the right to act in the appointment of employees, but where the employees have obtained this right through collective agreements it is acted upon by the Industrial Committee by virtue of the said agreement. This supplementary law is valid during the time of the validity of the collective agreement, and it may be either extended or retracted by a new agreement, but it can never become a legal document. The law on Industrial Committees does not of necessity re-

lieve the chairman of the Industrial Committee from working duties; nevertheless, there are a great number of large concerns where one or more members of the Industrial Committee are relieved of duty, as this is a regulation made by collective agreement.

In contrast to this, the law gives the employees rights which are not included even in the best collective agreements. It gives, besides the protection of working relationships, the right of representation on Administrative Councils, the presentation of reports and financial balances, etc.

A most valuable lesson learned through the actual functioning of the Industrial Councils and Committees is the realization that the more educated and intelligent are the workmen participating in them, the more fruitful and advantageous will their activities become to workers and to productive conditions as a whole. Some of the Industrial Committees have gained through their broad views and by their whole activity the esteem and respect of the employer as well as of the employees, and this is obviously to the advantage to the industry in question, as well as to the economic life of the State as a whole. There have been cases, of course, where the Industrial Committees have not fulfilled their duties and where they did not possess sufficient ability and com-

mon sense to meet the difficult, unpopular, but nevertheless, most important demands of the Industrial Committees. This occurred principally after the first election and in neglected trades and districts. During the two and a half years' existence of the Industrial Committees a group of trained workers has been built up, so that to-day a great many of the Industrial Committees are satisfactorily performing their duties.

No serious complaints have been made against the functioning of the Industrial Committees by the employers; on the contrary, a number of progressive individuals have even expressed their appreciation of the activities of the Industrial Committees. This is rather risky, because such an utterance immediately gives the Communist press an opportunity to declare that the Industrial Committees "serve the employers". The Central Supervisory Trade Office which receives from all subordinate offices regular reports on the official inspections of concerns, possesses more freedom in this respect. The Central Trade Office uses material of this kind in the preparation of an extensive report which it issues yearly in book form. The 1923 report discussed the activities of Industrial Committees as follows:

"No definite judgment can be formed as yet on the merits of the Industrial Committees, as

their term of office up to the present has been of short duration and consequently their influence is not yet apparent. It appears from individual reports that the new institutions have been favourably received by the workers. The former representatives of the trade unions were handicapped owing to the fact that the extent of their powers had not been clearly defined. The new Industrial Committees are in a more favourable position than their predecessors as the objects of their existence were defined clearly at the time of their appointment. The legal basis of this new manner of representation for workmen is fully appreciated by the Administration of the various industries and according to the opinion of many employers, the activities of the Industrial Committees are very useful. The employers are indebted to the Industrial Committees for their peace-making attitude, their good influence over the workmen, the prevention of thefts in concerns, etc. Among the other phases of their activity one notes especially their supervision in the observance of wage and working agreements, their cooperation in the settlement of working regulations, their control in obligatory school attendance of young workers, their supervision of the health conditions of the workmen and their efforts toward the improvement of hygienic conditions in the industries.

The functions of the Committees authorized by law are not easy and often require great diplomacy from the members in fulfilling efficiently their duties. This was especially true in the matter of the limitation of production, when in so far as they participated in the undertaking, they contributed by their attitude and by their acquaintance with individual employees to a peaceful and satisfactory solution of this difficult problem in spite of the very delicate responsibility they had assumed toward the workmen”.

From the above Trade Inspection report, coming as it does from an objective and a competent authority, it is evident that the Industrial Committees are in no way an unimportant reform of post-War times, but they are an absolutely sound economic and social institution. It should be emphasized here, however, that these Industrial Councils and Committees can fulfil their mission and find definite root only where they strike fertile ground, in other words, where the workmen are intelligent and conscientious. Otherwise they lose their influence. This fact has been proved in Czechoslovakia, to a marked degree in Slovakia, and even more clearly in Carpathian Ruthenia. The report of the Trade Office states that while in Slovakia Industrial Committees were only established in a very few concerns —

although they might have been established on a much larger scale — in Carpathian Ruthenia not a single Committee was set up. There was no grasp of the situation and no one was available to be put in charge of the work. In contrast to this it is stated that in Bohemia and Moravia, in places where there are Czech and German workmen, the activities of the Industrial Committees have been very satisfactory. However, the fact should not pass unnoticed that the development of the Czechoslovak Industrial Committees was at one time menaced to a certain degree by the destructive tactics of the Communists, who — though at first opposed to the law — later on endeavoured to misuse the Industrial Committees for political ends so that the employees were forced to exert all their energy to defeat these unfortunate tendencies.

As far as the Mining Industrial Councils are concerned, their success has been still more evident than that of Industrial Committees in other industries. Today it is an accepted fact that the participation of employees in the administration of mines has proved to be most beneficial during the transition from War and early post-War methods of mining to normal conditions. The committees further assisted in protecting the higher plane of living adopted by miners, with

out serious social disturbances. The Industrial and Mining Councils also undertook to assist in the reduction of prices by showing how harmful was the high coal tax which has brought about an increase in the costs of transportation and production. The Councils too, have endeavoured to develop greater working efficiency by improving technical equipment and working discipline. In other ways too, the activities of the Industrial and Mining Councils have been most satisfactory. The establishment of Industrial Councils and Committees has awakened among workmen an increasing interest in national economic questions. Many schools and classes have been conducted, and workers' papers have had to pay more attention to these problems than in the past. In consequence, the workers have come to understand the economic arrangements made necessary especially at the time of the increase in value of the Czechoslovak crown, and they have quietly made even material sacrifices in the interest of the consolidation of the State.

Czechoslovak Industrial Councils and Committees which are closely related to the modern trade and workers' movement have proved to be most helpful. No doubt, a great deal of merit belongs to the Industrial Councils and Committees and to the trade unions supporting them in

the consolidation of economic and political conditions in Czechoslovakia and in the splendid manner in which this young State has avoided passionate social conflicts without having weakened the influence of the working class.

Workers of all nations, as well as employers and Governments, should in their own and in the common interest pay full heed to the problem of industrial democracy because, as it is the firm conviction of all people of good will that mankind will never forsake the principles of democracy in the political field, it is also an indisputable fact that at the same time we are entering upon the realization of the principles of democracy in the economic field. Let the experiences of the activities of Industrial Councils and Committees in Czechoslovakia serve as an encouragement in the solution of this problem in other States.

UNEMPLOYMENT IN CZECHOSLOVAKIA.

By Dr. JAROSLAV JANKO.

"A person who would like to work and cannot find employment offers perhaps the most tragic evidence of the unequal distribution of the gifts of Fortune." In these words Carlyle expressed the whole significance of the problem of unemployment and of its solution. It is, therefore, the duty of those who realise the vital importance of unemployment in economic life, its far-reaching results and the miseries it causes, to look for means of remedy. One of the tasks presented to each State after the War was the solution of this problem, because the condition of labour in Central Europe, Czechoslovakia included, then become critical. The reasons are well known: after the sudden dissolution of the Army and the demobilization of War industries, great masses of employees found themselves without work and could not be linked up in the process of production on account of complete lack of raw materials imported from abroad, the paralyzed transportation in foreign countries as well as in the Czechoslovak Republic, and last but not least on ac-

count of currency and credit difficulties. In addition to all this, the insufficient supply of coal brought about an enormous increase in prices. The decreased coal production resulted from the fact that the mines had fallen into a neglected condition owing to the mining methods used during the war and that the efficiency of the workmen had materially diminished. The solution of the problem of unemployment, which naturally lies mainly in the proper organization of labour, was one of the first post-War undertakings. The respective sections of the Ministry of Social Welfare and later on the Social Institute were, therefore, called upon to work out a bill on unemployment. But the existing conditions demanded that immediate steps be taken towards the organization of some scheme of public welfare for the unemployed. This was done by a law on the Support of the Unemployed passed on December 10, 1918, N° 63; it was intended to operate for a short period only, i. e. until February 15, 1919, and because it was supposedly to be of short duration, it did not include any regulation for the support of employees in emergency works which had been undertaken only in order to alleviate unemployment. The crisis was not so short as had been expected in the first flush of optimism over the Revolution and the situation required

repeated prolongations of the law, until it eventually acquired the form of the law issued on August 12, 1921, N° 322. It was re-worded again in the law of December 21, 1921, N° 472, then changed and prolonged until the end of 1923 by the law of December 21, 1922, N° 400, and again prolonged until the end of June 1924 by the law of December 21, 1923, N° 263. It is now valid until March 31, 1925.

All Czechoslovak citizens who are engaged in work or service in accordance with the working, service or apprenticeship regulations and who do not carry on this work as a supplementary or occasional employment, are entitled to receive support during unemployment, if not themselves responsible for the loss of work. All Czechoslovak citizens, unemployed after leaving the army, especially demobilized active and reserve soldiers, are also entitled to support. Foreign citizens of a state with reciprocal arrangements can claim the same privileges while living in this country. This state of reciprocity was agreed upon with Austria, Germany and Switzerland.

Without claim to support are: employees on strike, those who have been dismissed through their own fault, those who give up their work voluntarily without any serious reason, those who are not capable of work on account of phy-

sical or mental defects, those who draw financial support in sickness, or whose existence is guaranteed by financial means, those who live outside the country or are seasonal workers. § 19 of the above-mentioned law enables the Government to extend the benefit to some special classes of seasonal workers and to fix the conditions regarding the reason and duration of claim. It also fixes the amount of support to be granted upon the opinion of the respective trades unions being heard. The Government used this right on January 19, 1922, order N° 11, whereby the benefit is also extended to employees in the building trade.

Financial support in cases of unemployment ceases when it has been given during a period of 6 months without interruption. (The Minister of Social Welfare in agreement with the Minister of Finance can prolong it, however, in certain districts and trades to $1\frac{1}{2}$ years. This has been the case e. g. in the textile industry in certain parts of the country.) Further support ceases to be granted to those who do not report twice a week at the public office for the assistance of labour, or have refused employment which is in accordance with their physical and intellectual abilities, does not threaten their health, and is paid for according to the accepted tariff of wages.

Financial support during unemployment amounts to Kē 8.— in communities with a population of 7000 and in communities with a larger population to Kē 10.—. (According to the original law the amount of support granted was fixed in accordance with the Sickness benefit funds so as not to exceed Kē 6.— a day, for demobilized men Kē 4.— and for rural workers Kē 2.—.) In addition to his personal support during unemployment the unemployed may claim Kē 2 for his wife or consort, and for his children or stepchildren up to their 14th year Kē 1.—, if they live in his household and are dependent on him. The total amount of support for one family must not exceed Kē 16.— or Kē 18.— in communities where the population is over 7000. In one household only two persons besides the head of the family who otherwise would be entitled to support according to § 1, 1. section of this law, may draw Kē 5.— a day. This support is not included in the total support to the head of the household. If there are 3 members with full employment in a household whose head is unemployed; no family allowances are paid.*

* This last fixation of the amount of support during unemployment was made by an order of the Ministry of Social Welfare on June 28, 1924, N° 21, 700/III./E, which reduced individual support from Kē 8.— to Kē 6.—, and

The Minister of Social Welfare may reduce these tariffs in individual cases and areas after consultation with the unions concerned; this happens, if the total support in the district or trade concerned exceeds two thirds of all wages. He may even stop the payments or the demand for work sufficiently increases, for example, in rural areas in summer, or if the living conditions considerably improve. This right is widely used during the summer time in rural areas. In comparing the daily amounts paid to the unemployed with the wages of industrial workers in the Czechoslovak Republic, and in other countries it has been found that at the end of 1922 the support in the Czechoslovak Republic amounted to approximately 20·6⁰/₀ of the wage for one day's work, in England 18·7⁰/₀, in Austria 11·3⁰/₀, in Germany 9·5⁰/₀, in France 8⁰/₀.

The administrative authorities of the provincial district decide on the amount of financial support during unemployment. After the War so-called Demobilizing Committees were established composed of an equal number of employers and

from Kč 10.— to Kč 8.—, so that the total allowance to the head of a family with family dependents in no case exceeds Kč 14.— or Kč 15·50 respectively. The support of employed members of a family was reduced from Kč 5.— to Kč 3·75.

employees, the functioning of which, however, did not prove satisfactory.

In addition to the direct system of support, as early as 1920 a so-called refunding system was established, whereby appeal was made to the manufacturers, especially in textiles, to employ their workmen to some extent at least. If the factory employed its workers for two or three days a week it was allowed to pay the balance of the weekly wages, according to the law on financial support during unemployment, which sum was covered up to 90% by the State. The great lack of material products throughout the country immediately after the War enabled industries to carry on for a certain length of time until the home market was supplied, but this demand being met, the industries again faced the problem of having no market. This explains why the number of unemployed decreased steadily after February 1919 and reached its minimum in October and November 1921. The decrease of unemployment went on simultaneously with the fall of the Czechoslovak crown which reached its minimum of 5.10 Swiss centimes in November 1921. Limited space permits us to outline the progress of the problem of unemployment only in its main features. A chart is attached which gives the salient economic figures. If we follow the number of

unemployed in the attached chart along with the rate of exchange of the Czechoslovak crown, we see how closely the increase of unemployment reacts on the value of the Czechoslovak crown during the following period of time, and how the proportionate stabilization at the end of 1923 and beginning of 1924 is shown in both at the same time. In 1921 the crown, in proportion to its home purchasing capacity, was considerably under-rated in foreign countries, and the approximate balance between the home and foreign purchasing capacity was reached about the middle of 1922. In the latter part of 1922 there was a further increase in the value of the Czechoslovak crown and a considerable disparity arose between its home purchasing power and its valuation abroad. In spite of a decrease in the wholesale and retail price index which amounted to about 40% in 1922, our industries were not capable of competition in foreign countries. This resulted in a decrease of effort which in some cases eventuated in cessation. The import of foreign goods, on the contrary, received a new impetus because the prices in foreign money in those days offered larger profits. A natural result of this change in the currency was the fact that the conditions of production during the latter part of 1922 became considerably worse and the number of unemployed

increased enormously from 113.015 in January to 437.841 in December, notwithstanding the existing system of protection in the commercial policy. The number of bankruptcies and liquidations increased in the latter part of 1922 and reached its highest point at the beginning of 1923. In the latter part of 1923 and in 1924 a relative stabilization of the main items in the economic figures ensued.

Considering now certain industries which especially suffered during the period of unemployment we must first point to the textile industry. The period of comparative prosperity in 1919/20 passed rapidly away towards the end of 1920 and returned in 1921 for a short time only. The constantly increasing difference between the Czechoslovak crown and the valutas of our principal customers caused a commercial crisis. Orders from foreign countries were cancelled and the output of a large number of the factories was first limited, then completely stopped. It is true that the situation has been improving since 1923 and now may appear even satisfactory, but the unemployment in this branch which by the end of 1923 had reached approximately 32.000 is considered permanent. It is, therefore, desirable that workers should as far as possible turn to industries where they can more easily earn their living.

Exports in the metal industry decreased in 1919, owing to paralyzed transportation as well as to currency difficulties in the neighbouring countries on the South and East, where our principal markets have been. Many factories consequently had to work on stock and dismissed their workers. Early in 1921 the factories were on the whole going fairly well, but in the latter part of 1922 another period of stagnation on the market ensued, which lasted until the end of the year; it was caused by an increase in the cost of raw products within the country and a slump of the surrounding currencies. The conditions became still worse at the beginning of 1923. In the second half of 1923 the wave of unemployment abated because of the prosperity which followed the Ruhr occupation. The total number of unemployed is still about 170,000. The building industry is amongst those principally concerned and it was particularly affected in 1921, as an anticipated increase in the construction of new buildings did not take place. Industrial enterprise was limited because export was not satisfactory and building in neighbouring countries was likewise discontinued, so that it became impossible for our firms to place their products on foreign markets. Although the brick industry showed a certain improvement and individual concerns registered

even an increased activity, the market as a whole was inactive throughout the past year and showed a decrease in country places. The State, of course, supported building activity to a large extent: on buildings the estimated cost of which exceeded 3 milliards, the guaranteed loans from 1919 to the end of 1923 amounted to more than 2 milliards of crowns and State guarantees on these loans amounted to about 170 millions annuity. The glass industry, first among Czechoslovak export industries, is dependent upon analogous conditions in currency values; the stagnation of 1922 decreased slightly in 1923 and by the end of the year the whole situation was much improved; though there are still approximately 11.000 glass workers without employment. The number of unemployed miners increased in 1921 and especially in 1922, as the result of the decrease of money values in the neighbouring States. By March 1923 on account of an increase of production in coke and iron factories, the demand again arose for miners and unemployment decreased. This tendency to decrease prevailed until the end of 1923. With the beginning of 1924 unemployment increased again, principally because of limited production in the Falknov brown coal area.

Of great importance in the whole question of unemployment is the clause of the law adopted

in 1919 (No. 569), whereby communities and districts which undertake necessary public construction schemes in which they employ a large number of workers shall receive State support up to two thirds of the wages paid, which is not to exceed, however, Kč 6.— per worker. State support for public enterprises was afterwards increased to Kč 9.— per person per working day.

This type of assistance for unemployment is of real importance to the workmen themselves, to the State treasury, and to economic life as a whole. If, for instance, a builder undertakes some piece of public construction work depending upon the support of the Ministry of Social Welfare, he is bound to choose his workmen from among the unemployed; he accepts them as regular workmen, pays wages current in his district and assumes the responsibility of making them members of the Sickness Benefit Fund, and the Accidents Insurance Fund respectively. This enables the workman to draw full support during his unemployment after the piece of public work has been completed, which according to the law he would not otherwise have been entitled to do because of a too extended period of unemployment. A contractor who undertakes a piece of work with support from the State in the interest of public welfare is thus able to erect works of public utility

which in other circumstances he would have had to build from his own means. In this way new roads and bridges and small public buildings have been constructed in Czechoslovakia and repairs made in lines of communication. During these years the number of workmen employed was approximately as follows:

1920	in 186 enterprises	3000 people daily
1921	„ 150 „	3400 „ „
1922	„ 204 „	7600 „ „
1923	„ 325 „	14.000 „ „

From the total amount expended for the support of unemployment in these years:

Kč 3,121.671 per Kč 94,978.185 (i. e. 3.3%) were used on public works in 1920; in 1921 the amount was Kč 7,071.407 per Kč 76,156.845 (i. e. 9.3%); in 1922 the amount was Kč 14,547.460 per Kč 209,398.718 (i. e. 7.0%); in 1923 the amount was Kč 45,017.959 per Kč 392,227.160 (i. e. 11.5%).

This furnishes evidence of the fact that this public construction work is of far-reaching economic importance for the workers as well as for the State.

This system of unemployment relief by public means is a great burden to the State and is considered merely a temporary arrangement until it

is possible to put into effect the law on unemployment of July 19, 1921, No. 267, by which the so-called Ghent system shall be introduced, a system which was first put into effect in the City of Ghent at the suggestion of Louis Varlez in 1901. The principle reads:*

A community or state does not establish a system of public unemployment insurance, but rather contributes from public means toward the support of the unemployed paid by trade unions from their own funds.

This system has its advantage and its disadvantage. The advantage lies in the fact that the State need not set up an independent administrative machine, and furthermore it does away with the support of persons who do not have permanent employment, concentrating its support on those who in the days of their employment have insured themselves sufficiently against the days of unemployment. In this way the state contribution will be fixed in proportion to the tariffs drawn up by individual trades for the support of their own workers.

A further advantage of this system is that the trade unions will have to share with the State any misuse of the support given to the unem-

* The following is according to Dr. E. Stern: Principles of the Czechoslovak Workers Law, 1923.

ployed, and thus will use all the means in their power, such as, confidants in factories, and the solidarity of their members who naturally protect their organization savings against useless losses, to prevent injustice by unreliable individuals. The control and intervention of State authorities alone against the misuse of unemployment relief can never meet with the same results as the steps taken by the organizations themselves against their own members.

This insurance, though voluntary in principle, in reality gives the State as a whole the advantages of a general insurance system, as well as obligatory insurance. Every employee may become a member of a trade union — and lately practically everyone has done so — and thus benefit by insurance during unemployment. Experience has proved that the Ghent system, as far as the State is concerned, means the introduction of a large body of employees into the active field of social welfare and public support of the unemployed, and at the same time a great relief for the State and a decrease of costs which otherwise would be necessary in the public support of the poor. In the City of Ghent, for example, after the establishment of the contribution system in unemployment, the decrease in the number of the poor was 50%.

Several objections have been raised against the Ghent system, namely, that this system provides insurance merely for organized workers and support of the union workers. Against this objection it may be stated that any employee can ensure his State support in periods of unemployment by entering a trade union. The strengthening of employees' organizations involves a correspondingly increased organization of the employers, and indeed the difficult War and post-War periods have given evidence that the trade unions of employers and of employees are today not merely organizations working in their own interests, but are also real economic centres possessing advisory powers and legal public duties. Social peace and a higher and more efficient economic organization demand that the parties involved have equal interests and be fully organized according to their respective trades.

To ensure that the State contribution towards support in times of unemployment shall not be used in class conflicts, the law includes a clause whereby the State contribution shall not be granted to those who are unemployed through strikes or who are dismissed from work during strikes (§ 5, N° 3). Furthermore, the law provides that special accounts be opened by the trade unions independently of the State for use as funds

in times of unemployment; the so-called strike fund (§ 4, N° 7).*

It should be remembered that this system will give the trade unions State recognition and, unofficially, efforts will be made to unite them and thus prevent their reaking up into political parties and interfering with economic life in general; because the larger the organization, the higher will be the benefit which it will be able to pay its members and the greater will be the State grant to which it is entitled.

Employees who are entitled to benefit from the obligatory sickness insurance fund, namely, workmen, officials, and servants, if they are citizens of the Czechoslovak Republic and members of trade unions — which according to their statutes offer their members support during unemployment — may claim State support in time of unemployment. This law does not include employees of the State.

The contribution of the State is a supplement to the unemployment benefit paid by the trade unions themselves; it cannot be granted to the unemployed by the State without the corresponding support from the funds of the union.

* A detailed statement regarding State control shall appear in the executive orders, which shall also include details of administration.

The accounting system of the trade unions is under State supervision. An unemployed worker who, under the conditions quoted in the law on support during unemployment, that is, during a strike or because of dismissal, does not apply for work at least three times a week at the public office of assistance, or who refuses work which is in accordance with his abilities cannot claim unemployment benefit.

This State contribution may be drawn for a period of three months without interruption, or if at intervals, during four months in a year.

The State contribution is equivalent to the support during unemployment which the trade unions pay from their own funds (§ 7).

The total support from the unions and the State contributions shall not in any case exceed two thirds of the wages of the unemployed worker; the difference, if it should exceed this figure, is to be deducted from the State contribution.

The Government may fix a maximum which the daily State contribution shall not exceed. To assist in the introduction of such a system the Government is authorized, after consultation with the unions for the time being while post-War economic conditions prevail, to fix a minimum State contribution during a definite time for a man, a

woman, for a single and for a married employee.*

The Ghent system is satisfactory and its introduction is especially possible in times of economic stabilization, when there is not the maximum degree of unemployment. Five years of economic crisis accompanied by constantly recurring waves of unemployment, have almost completely exhausted the unemployment funds of all trade unions and it has been therefore impossible to put into force even the temporary agreement cited in the law (§ 7, 4) whereby the Government is authorized to fix a minimum State contribution which shall be higher than the amount of support obtained from the trade-union funds. It seems wise to wait for the enforcement of this law until there is a time of increasing prosperity and decreased unemployment when the trade unions will be able to improve their financial position. Let us hope that at that moment we shall have the courage to proceed along this new way; with the support of our citizens in general and the confidence of society in trade unions, the position of the latter will then be indisputably strengthened by the application of the Ghent system.

* A permanent application of this exception would lead ad absurdum to the principle of joint responsibility of the unions with the State because the State contribution stands in a constant relation to their support.

FIGURES SHOWING THE ECONOMIC SITUATION I
(POSITION AT THE END OF EACH MO

Year	Month	Total number of unemployed	Percentage in industry and trade	Assistance		Value of Czechoslovak crown on the Swiss Exchange	Exports		Imports	
				given directly by the State	given through enterprises		in quintals	in articles	in quintals	in article
1	2	3	4	5	6	7	8	9	10	11
1921	I.	95.768	4.4	44.633	12.355	8.—	5,552.161	256.226	3,279.298	11.67
	II.	105.901	4.9	44.557	14.469	7.55	6,719.563	209.672	3,776.207	24.05
	III.	102.801	4.7	38.002	15.296	7.67	8,500.711	359.874	4,044.219	22.77
	IV.	100.505	4.7	30.991	18.061	7.75	8,147.436	358.002	4,368.558	35.46
	V.	108.615	5.1	31.225	16.292	8.425	7,575.969	178.927	2,390.155	19.09
	VI.	104.008	4.9	32.840	13.283	7.95	9,297.632	420.967	3,500.843	20.38
	VII.	96.815	4.6	30.782	10.032	7.65	9,285.260	379.693	2,756.057	20.54
	VIII.	91.679	4.3	27.275	8.804	6.95	9,586.837	414.734	2,986.465	42.53
	IX.	71.590	3.2	16.725	9.723	6.25	8,857.679	432.852	2,676.225	30.84
	X.	62.896	2.8	11.672	8.076	5.10	7,379.951	372.309	3,599.581	37.12
	XI.	68.479	3.1	14.037	9.570	5.60	7,057.615	413.219	3,120.448	35.23
	XII.	78.857	3.6	22.115	10.687	7.60	8,496.836	472.988	3,119.091	36.69
1922	I.	113.015	5.3	27.300	27.122	9.90	6,951.443	299.494	2,939.468	35.32
	II.	142.454	6.8	42.095	36.431	9.—	4,263.890	374.406	2,384.185	33.60
	III.	128.336	6.1	35.479	34.240	9.75	9,308.574	364.885	3,833.135	76.48
	IV.	125.070	6.0	29.593	38.902	10.05	8,190.704	409.353	3,246.886	53.87
	V.	114.584	5.5	27.826	35.974	10.10	9,201.366	408.491	2,763.114	70.08
	VI.	107.702	5.1	24.899	31.700	10.10	9,350.186	368.382	2,373.459	70.86
	VII.	104.273	4.9	24.216	30.615	13.—	10,501.521	437.904	2,985.676	62.31
	VIII.	141.308	6.7	27.913	48.562	17.25	7,926.346	394.264	2,083.728	81.42
	IX.	232.394	11.3	48.420	91.696	16.60	7,053.233	417.481	2,018.950	89.49
	X.	317.626	15.6	95.445	99.065	17.45	5,747.752	172.384	2,058.398	73.90
	XI.	376.773	18.6	123.696	101.701	16.90	7,081.924	155.731	1,758.970	47.30
	XII.	437.841	21.8	175.699	102.645	16.45	8,972.192	277.998	3,104.527	87.47
	I.	441.075	21.7	202.625	75.498	15.25	7,103.371	259.112	1,608.968	26.84
	II.	415.222	20.3	195.944	58.075	15.80	8,976.818	437.074	2,037.016	45.26
	III.	369.520	18.1	165.468	52.172	16.075	10,233.089	659.647	2,069.892	61.22

UNEMPLOYMENT OF CZECHOSLOVAK BRAIN WORKERS.

By Dr. B. MATHESIUS.

Both the title and the import of this sketch are, fortunately, intended to refer more to the future than to the realities of today. For, even if at the present time we sometimes find individuals with a good preliminary and university education, who have already felt the hardships of unemployment and have lived through such a period, we know that it always lasted only a comparatively short time and was caused by the inadequately organized (or non-existing) distribution of the well-educated employees rather than by overcrowding in any profession. Instances where a university graduate fills a position for which no long and expensive studies were necessary, are but temporary and exceptional occurrences.

On the other hand, symptoms are already appearing which point to the danger of an impending unemployment of the intelligentsia, owing to the overfilling of the individual branches, and which urgently show the need for provisions and regulations to meet this serious problem while

there is yet time. This phenomenon has been caused mainly by the circumstance that some of the branches reckoned with the stability of conditions and the emigration of our intelligentsia to foreign countries, but, as is well known, the War and the situation following it, especially in the East, have upset all these calculations in a way not pleasant to contemplate.

This circumstance alone would surely have greatly jeopardized the position of the intelligentsia in Czechoslovakia if, on the other hand, *the national liberation and the creation of an independent Republic*, had not furnished it with a much broader basis for its existence than it had before the War, in the Austro-Hungarian monarchy. For as all the deciding factors there, political as well as economic, lay in the hands of the Germans and the Magyars it was very difficult for the Czech intelligentsia to secure any of the prominent or responsible positions. Likewise, the *geographical extension of the Republic*, by the addition of Slovakia and Carpathian Ruthenia to the historic countries (Bohemia, Moravia and Silesia) absorbed many of the surplus intelligentsia. Of course, this relief can only last as long as these two countries, where the development of school education already shows much promise, are without an educated class of their own.

The creation of an independent Czechoslovak State furnished the intelligentsia, in many cases, with a stimulus to enter a new walk of life and their great numbers, raised in face of strong opposition on the part of the Austro-Hungarian Empire, proved a real boon to the Czechoslovak nation. To them only can be ascribed the fact that the new State showed at once the vitality and the discretion necessary in the critical time following the revolution. To them alone is it due that the Czechoslovak Republic was able to enter the international forum so soon and—it may be said without exaggeration—so promisingly as it did.

The new and greatly extended task confronting the new State naturally demanded great numbers of workers for all branches of its administration. It goes without saying that the newly-created State, which has risen from the foundations and ruins of an old one, cannot have, from the very first moment of its life, a bureaucratic system that functions faultlessly and adheres to the most economical methods. This task also was all the more difficult because the aims, mission, international relations and whole character of the new State are absolutely different from those of the late Monarchy. Therefore it is a sign of the high cultural level of the Czechoslovak nation that it has accomplished its task even without—as point-

ed out above—the experience necessary for the organization and direction of a State.

Although it is still premature to speak of any serious lack of work for the Czechoslovak intelligentsia, it is, at the same time, impossible not to feel some apprehension as to its future if we take into consideration the abnormal number of students in both the secondary schools and the universities.

In 1920—1921, when we obtained a large amount of statistical material (The Secondary schools of the Czechoslovak Republic—Czechoslovak Statistics, Vol. 7), there was 1 student to every 143 inhabitants. The proportion of students, aged 10 to 21, to the rest of the young people was shown as follows:

Bohemia	out of 768.064 boys,	38.809	were students
Moravia	„ „ 351.769	„ 18.676	„ „
Silesia	„ „ 93.532	„ 3.391	„ „
Slovakia	„ „ 414.000	„ 10.955	„ „
Carpath.			
Ruthenia	„ „ 86.439	„ 1.342	„ „

or out of 1,713.804 boys between the ages stated above 73.173 were studying.

In regard to girls of the same ages the proportion was as follows:

Bohemia	out of 777.554 girls,	12.235	were students
Moravia	„ „ 352.602	„ 5.567	„ „
Silesia	„ „ 93.321	„ 771	„ „
Slovakia	„ „ 412.625	„ 2.741	„ „
Carpath.			
Ruthenia	„ „ 91.046	„ 299	„ „

Thus from a total of 1,727,158 girls 21,613 were studying. These data relate only to the secondary schools, and not to technical schools and universities.

During the period mentioned 0.7% of the whole population, or 94,786 pupils out of 13,611,349 inhabitants, were attending the secondary schools.

A total of 7,206 of these students (including 1050 girls) sat for their school-leaving certificate examinations. Of this number 241 had to sit a second time for this examination; in 1922, then, a total of 6,965 passed out from the secondary schools.

The universities absorbed 5,102 of these students and practical life only 1,738; as regards 138 there is no record. This shows that a disproportionately high number of the secondary school pupils decided to continue their studies.

If we now look at the total number of the students in the following year (1921-22), we see that the secondary schools of all types and na-

nationalities had 102.690 pupils, and in the summer term (of the same year) there were in the Czechoslovak universities 26.513 students of all categories and nationalities.

Therefore we find at the end of the school year 1921-22 a total of 129.203 students, not including the pupils attending the commercial and trade schools.

If we follow the numbers of pupils at the secondary schools—with which we are chiefly concerned here—and the numbers of the university students during the years following, we find that in 1923 the registers of the secondary (or middle) schools of all types and nationalities showed 106.039 pupils, while the students at all the universities etc. in the summer term of the same year numbered 24.566.

In 1924 the number of students enrolled at the secondary schools of all types and nationalities even reached 111.808 and in the summer term of the same year there was a total of 24.706 university students.

Thus while there was one secondary-school student to every 143 inhabitants, the proportion in 1924 was one student to every 116 inhabitants.

It can be seen from this that there is a large growing attendance at the secondary schools, while the number of university students is subject

only to slight changes—which proves that the influx of university students who began their education 7—8 years ago is normal, while the number of new pupils enrolling at the secondary schools is steadily increasing.

There is a variety of explanations for the eagerness of such a large part of the Czechoslovak youth to obtain higher education.

It is probably true to say that most of them are conscious of the fact that a small nation can secure a prominent position in the world only by education and a high order of intelligence; others again are impelled by the numerous examples of their national leaders who, born of humble parents, became, owing to their education and diligence, important factors in the national history; some imagine that mental work is much easier than manual labour and, finally, there must be some who are still under the influence of the times when mental work was better remunerated than manual labour. Now when we consider the material incentives, we cannot help wondering how it is that the extensive levelling of wages, which was effected throughout the whole Czechoslovak Republic, does not restrain our young people from pursuing strenuous, long and also comparatively expensive, university studies.

In considering the question of the employment

of our intelligentsia in the times to come we must also take into account, besides the large influx of boys to the secondary schools and universities, the steadily growing number of the girl students who are bound to increase the intelligentsia total to an unprecedented figure. Full sex equality as well as the logical consequence of the admittance of girls to higher studies give the female intelligentsia the same right to employment as is claimed by the male intelligentsia.

Moreover, the problem of the unemployment of the intelligentsia consists not only in having to procure work for it, but also in providing it with employment which is suitable. And while all honourable occupations deserve our esteem because they add to the successful development and welfare of both the State and nation, nevertheless the fact that the abilities and special knowledge possessed by a certain class of the population are not properly utilized, must be regarded as detrimental to the normal growth of the State organism. In this respect the State must take measures to prevent not only the enforced idleness of the common labourer, but also the want of employment of the intelligentsia. If a skilled workman is compelled, in order to make a living for himself and his family, to accept the job of a common labourer, it is just as hard for him as it

is for a scholar who has to accept a subordinate clerkship in some office.

How to meet the threatening unemployment of the intelligentsia of all the nationalities represented in the Czechoslovak Republic, is a problem which is liable to occupy our attention for some time to come.

It is undoubtedly true that the *State*, as the representant of power and the organizer of the life of its citizens, should be the first to prevent as far as possible and by proper measures the spreading of unemployment in any line. However, even the State finds it sometimes difficult successfully to intervene in economic affairs in order to provide employment for its workingmen and intelligentsia. Our problem offers a better opportunity in this respect. We are of the opinion that the State could, through its educational system, regulate the rush of the students to the secondary and technical schools and thus help a sorting out of the intelligentsia into suitable categories. Of course, this activity must not aim at the curtailment of the desire for education or at the limitation of opportunities for study; on the contrary, it should encourage education and make it accessible even to the poorest if they show the necessary qualification.

The State could do much in this respect by a

suitable organization of its secondary schools, in which the majority of our intelligentsia obtains its training, and arrange the studies in such a way that the decision as to a definite career — and therefore the classifying of the intelligentsia into individual categories — would be postponed to a later period. It is characteristic of the present conditions that in the Czechoslovak Republic the duty of the State to interfere in this direction has already been recognized and that from the very beginnings of Czechoslovak independence, especially in the last two years, much effort has been spent on this work. The result, after a thorough consideration of the subject and consultation of professional educationalists is a minutely elaborated scheme which points out how the secondary schools should be re-organized. This plan may come before Parliament shortly and in all probability its realization will affect the question of the unemployment of our intelligentsia in the way desired.

Besides direct, official action taken by the State, the solution of our problem can also be greatly aided by the "*Advisory Boards for the Choice of a Vocation*", which have lately been established and, in particular, the special boards for the students. If properly constituted, guided by competent men and amply supported by the State, such boards could facilitate the proper distribution of the in-

telligentsia to the satisfaction of all. After all, it is the *population* itself which could assist in the solving of the unemployment problem (of the intelligentsia) with the greatest effect, if it set before itself right at the start a clear, definite and attainable object in life.

The desire to obtain as perfect an education as possible is certainly laudable, as are also the efforts to overcome considerable difficulties in order that young people may be endowed with the maximum of human knowledge. But in spite of all this, we cannot ignore the disappointment noticeable in our young people when they see that all the goals they have fixed for themselves are unattainable, and that their modest desires must remain unfulfilled. And it would, undoubtedly, be of great benefit to the national development and to the work of the citizens if the aims of the population were fixed by the limits of possibility, so that its later life may not be embittered by deferred hopes and unrealized ideals.

If we now recommend soberness of thought and moderation in views of life, we do not intend to discourage any earnest effort for the attaining of high ideals, but such an effort, even if it were the leading motive of one's life, must not become a condition of the students' existence. It is the lot of man to work, but there must also be pleasure

in work. And so it is, too, with the intelligentsia. It matters little whether as great a part of the nation as possible consists of nobody but doctors and engineers, but it is important, that everyone should act a man's part in the place assigned to him by fate, that he should devote himself to his calling and love it in spite of all difficulties or any hardships that time may offer. And only by accepting such moderation, and combining it with a real desire for progress, can the population aid most effectively in the solution of the unemployment problem of the intelligentsia.

CZECHOSLOVAK EMIGRATION.

By Dr. E. BOHAČ.

In the former Austrian Empire emigration was one of the most serious problems, and both the Austrian and Hungarian Governments vainly attempted to find a solution for it. As far back as the thirties of the last century in the densely populated provinces, emigration greatly exceeded immigration and the oldest Czech settlements in Southern Hungary were founded even earlier. The losses due to emigration grew with each succeeding year and reached their climax in the eighties, when agriculture had to face a severe crisis owing to the competition of cheaper American grain. The rapid industrial development at the close of the last century, though helping slightly to decrease the emigration was still unable to absorb all the superfluous labour force from the country districts. In the last three pre-War decades (1880—1910) the loss through emigration to Bohemia, Moravia and Silesia totalled 755,496 inhabitants, that is to say about 25,000 annually.

From the very first the main objectives of the emigrants were the United States of America and the City of Vienna. The latter thanks to the cen-

tralization policy of the Austrian government and in no lesser degree, to its liberal support, soon became an industrial and commercial centre, the domination of which extended also over the Bohemian countries. Temporarily in the sixties and seventies of last century Russia and especially Volhynia Croatia and were the goals of Czech emigration.

In the last two decades of the nineteenth century, however, the attractive force of the United States greatly decreased and the average yearly emigration of Czechs between the years 1903 and 1914 numbered 10,244. The majority of those who left Bohemia and Moravia in the period prior to the World War, emigrated to Vienna and the adjoining districts of Lower Austria. In 1910 there were in Vienna alone 499,272 persons and in the rest of Lower Austria 122,032 persons who were born either in Bohemia, Moravia or Silesia; in the latter countries 434,160 inhabitants of Vienna and 150,590 of the rest of Lower Austria had their right of domicile. Besides this, a considerable number of the inhabitants of our country found employment in Germany.

Slovakia, being more thinly settled than the historic countries, was stricken by the emigration fever at a much later date, but once begun, the fever developed, in comparison, more intensely

than in Bohemia and Moravia, owing to the great poverty in some of the mountainous districts of northern and southern Slovakia as well as owing to the insignificant extent of Slovakian industries.

As far back as the years 1901—1910 emigration caused Slovakia a loss of 7·06% of its population. In contrast to that from the historic countries Slovakian emigration began to turn almost exclusively to the United States of America; from 1899—1914, 477,375 Slovaks entered that country, making a yearly average of 29,836.

Conditions were greatly changed by the World War. In the first place emigration was reduced to a minimum, and when the United States entered the War it ceased altogether.

Nor was there any emigration problem in the newly-founded State immediately after the War. On the contrary, one of the most pressing cares of the Government was the scheme for repatriation the object of which was to induce the emigrants to return to their respective countries. It was necessary not only to bring home as quickly as possible the tens of thousands of legionaries and war-prisoners, but to reckon also with the multitude of former emigrants, who were moved to return—partly on account of the distress prevailing in the defeated states—by the hope that with political independence the economic conditions of their coun-

try would again flourish. Especially great was the influx of Czechs from Austria; the number of persons returning from there in the first two years after the close of the War is estimated at the high figure of 100,000.

As might be expected, the liberation of the Czechoslovak nation had a powerful effect also on the American immigrants from Bohemia and Slovakia, inducing great numbers of them to return—the Slovaks were actually the first to do so, but Czechs followed soon afterwards. Even many of those who had already become United States' citizens and, in some cases also, persons born there came to the Czechoslovak Republic with the intention of making it their permanent home. According to American statistics 823 immigrants from Bohemia and 29,193 from Slovakia left the United States in the years 1919-1920 and 1920-21, while in the year 1921/22 the numbers were 4,246 for those from Bohemia and 3,451 for those from Slovakia, in addition to 4,162 U. S. citizens.

However, the period during which emigration from the Czechoslovak Republic was almost non-existent, was not of long duration. The break up of Austria Hungary was followed by far-reaching economic effects, for Bohemia, Moravia and Silesia had been the chief manufacturing states of the old empire. The percentage of all its

industries concentrated in the present Czechoslovak territory amounted to almost 80. But Czechoslovak industry, which formerly had the whole of the Austro-Hungarian Empire as a free market, after the War could serve scarcely more than one fourth of the population that lay within the former Customs boundaries. In addition, the succession states surrounded themselves with strong tariff-barriers in order to build up their own national industries. Besides this, while the impoverishment of the population due to the long War greatly lessened its consumptive power, yet the débâcle of the currency in the surrounding states proved an obstacle to a normal exchange of goods, and their policy of inflation tended to make them dangerous industrial competitors. In consequence, Czechoslovak industry, now largely depending on the export of its products, found itself before long in a serious crisis, the first symptom of which was widespread unemployment. Under these conditions it became inevitable that a state, from which, prior to the war, as many as 60.000 persons had to emigrate every year, should again have to face the same pressing social problem.

In the spring of 1920 there began to appear in Prague emigrants from Slovakia and Carpathian Ruthenia who wished to procure visas at the

consular offices for their journey across the ocean. Their numbers increased so rapidly that as early as June 1920 they had, for lack of proper quarters, to camp in the railway stations or their neighbourhood. It was found necessary to provide them at least with quarters during their sojourn in Prague. Therefore an emigrant asylum was built in Libeň, where the emigrants from the eastern part of Czechoslovakia and from Rumania could apply for lodging while awaiting their passports.

The hygienic conditions of Slovakia and Carpathian Ruthenia made imperative a health inspection also of all emigrants, in order to prevent any epidemics from being brought from the east to Prague and to the rest of Bohemia and Moravia, and so that any person whose physical or mental condition would not meet the requirements of the United States could be sent back to his home. Therefore a government health station for the inspection of emigrants was established at Svato-
bořice near Kyjov in Moravia, where all emigrants from Slovakia and Carpathian Ruthenia had to stop before proceeding any farther. There they were obliged to undergo a rigid medical examination demanded by the American immigration authorities, and only after passing it successfully were they allowed to continue their journey.

Simultaneously with the appearance of the first emigrants, several steamship companies occupied mainly with the transportation of emigrants began their activities. These companies, naturally seeking business in the Czechoslovak Republic, started a strenuous propaganda to attract emigrants, and the alluring promises of their agents had considerable effect on the more backward population of eastern Slovakia, which was so severely afflicted in pre-War times with the emigration fever.

The seriousness of the Czechoslovak emigration problem in 1920 is best shown by the United States' immigration statistics. According to the annual reports of the General Commissioner for Immigration the number of Czechoslovak citizens who entered America between July 1st, 1919 and June 30th, 1920 was only 3,426, while from July 1st, 1920 to June 30th, 1921 it increased to 40,884.

When the so-called "three percent quota ruling" of May 19th, 1921 restricted in a large degree the number of immigrants to the United States — during the fiscal year 1921—22 only 14,282 Czechoslovaks were permitted to enter — the tide of emigration began to flow towards Canada and especially towards Argentina, where, however, the conditions for the emigrants were more difficult and harder to bear than in the United States.

Hence the pressing need to correct the faults of the Austrian emigration policy and to solve the emigration problem by law. As early as 1921 several conferences were held by the Ministry of Social Welfare, which resulted in the passing of the Emigration Law of Feb. 15th, 1922, N° 71 Collected Laws and Decrees, and of the Executive Government Decree of June 8th, 1922, N° 170 C. L. and D.

In view of the fact that emigration is regarded as an inevitable result of the prevailing economic situation, the Czechoslovak Emigration Law is not based on the assumption that it is necessary to protect the State against emigration. Its purpose is to restrict emigration by other means, such as Land Reform, and a suitable economic policy, especially in regard to the development of industries etc., but first and foremost to protect the interests of the emigrants.

According to this law, any person who leaves Czechoslovak territory to seek his living abroad or without the intention of returning, and any member of his family who accompanies or follows him, shall be considered an emigrant. To prevent circumvention of the law, it is expressly stipulated that any one travelling in the steerage, or in any class on a steamer corresponding to it, shall be considered an emigrant, except the cir-

cumstances are such as to make it clear that he is not going abroad to earn his living there.

Emigration is legally recognized as a matter of free choice, yet certain persons are excluded from this right to emigrate. These are: persons liable for military duty, those who have been charged under the criminal laws, persons incapable of working, if their sufficient maintenance abroad has not been proved, persons who would arrive at their place of destination without any financial means of support, those parents who wish to leave their children under 16 years of age at home without making adequate provision for them, and finally all persons disqualified by the laws of the country to which they wish to emigrate. Further, the emigration of minors is limited by special regulations, particularly in the case of females.

Every emigrant, if he is a Czechoslovak citizen, must be provided with an emigrant's passport which serves as his identity paper and also as the proof that he is complying with the law. It is not intended as a means for limiting emigration by police regulations, but is rather a precautionary measure of politico-social character. The Ministry of Social Welfare is directed to provide correct information on the prospects of the emigrant in the place for which he is bound; moreover, it is laid down as the duty of the Ministry to organize

aid for the emigrants with the help of voluntary philanthropical societies.

The law also prohibits the engaging of settlers for foreign States; only under certain conditions can the State allow the colonization of a small number of settlers who desire to emigrate.

On the protection of workers the law lays special stress owing to unfortunate former experiences when people have been allowed to sign for contract-work in foreign countries. The law forbids the engagement of workers for countries outside of Europe, with a few exceptions, unless the permission of the Ministry of Social Welfare has first been obtained. The engaging of workers for any of the European states is subject to the consent of the State Labour Department, which also decides the districts, the line of work and the numbers in which the labour offices can hire them. Further, because it formerly often happened that those workers whose contracts had not been made out in advance were left to the mercy of labour agents and foreign employers, the law now stipulates that every hired worker must receive, before starting for the foreign country, a labour contract written both in his own and in the employer's language; the law also deals in detail with the contents of the contracts and with stipulations which it declares invalid.

Special attention is paid in the Czechoslovak Emigration Law to the ocean transportation of emigrants, because in former times a considerable number of persons were induced to emigrate by the tempting promises of the shipping companies which were really concerned only with the obtaining of as many steerage passengers as possible. The transportation of emigrants is now allowed only with the consent of the Minister of Social Welfare and foreign companies receive permits to do business in Czechoslovakia only if they conform to the existing regulations and put the management in the hands of a citizen of the Czechoslovak Republic. In addition they must open an emigration office in Prague — if outside of Prague the consent of the Ministry of Social Welfare must again be obtained. The purpose of the other stipulations contained in the law is to limit the emigration concerns to a small circle of reliable and responsible bodies and to regulate their activity so that the emigrants may receive the largest possible measure of protection whilst on their way.

The transportation companies are also strictly forbidden to conduct emigration propaganda of any sort and at the same time the permission formerly given to sell tickets for the steerage, or a class equal to it, is withdrawn.

Finally, the numerous penal provisions of the law are intended to strengthen the protection afforded by the law to persons who want to emigrate, and in particular, to safeguard minors and prevent the traffic in women.

The contents of the Emigration Law make it clear that its purpose is not to regulate Czechoslovak emigration, but merely to protect, as far as possible, all those who wish to emigrate. It was beyond the power of the legislators to direct the course of the emigration, for that is determined, primarily, by the economic and social conditions of the respective foreign states, and especially by the opportunities for work and the wages paid there.

When, in 1920, Czechoslovak emigration began to assume large proportions, almost the whole stream was directed towards the United States of America. But their restrictive measures caused a large part of the trans-Atlantic emigration to go, in 1923, to Argentina and Canada. According to the records of the steamship companies permitted to do business here, the following numbers of emigrants left Czechoslovakia for the trans-Atlantic countries :

	1922	1923
To United States of America . .	13,561	11,037
To Argentina	457	4,932
To Canada	110	2,029
To Brazil	205	248
To other American countries . .	3	90
To other parts of the world . .	7	7
Total . . .	14,343	18,343

The new American immigration law, which reduces the Czechoslovak quota to 1937 persons, will affect the trans-oceanic Czechoslovak emigration still more sharply than the similar law of 1921.

The emigration to the European states has assumed an entirely different aspect since the War. In the first place, the old attractiveness of Vienna has entirely faded. In the years immediately after the War only about one fifth of the pre-War number of emigrants went there and, on an average, the numbers returning from Austria greatly exceeded the numbers of those going to live there; last year, in consequence of the economic crisis caused by the sanitation of the Austrian finances and the stabilization of the crown, the emigration to Austria fell away to a minimum. During the period of the temporary industrial trade-boom in Germany, which was stimulated by the inflation of the currency, employment was found there by a

considerable number of our workers, but the economic crisis following the débâcle of the mark, stopped the Czechoslovak emigration entirely. France has also lately become quite attractive to our emigration, owing to the great need for labourers in that country. A year ago large numbers of workmen, especially miners, went from Slovakia to Hungary. Skilled workers also found employment in Rumania and Yugoslavia. The number of emigration passports — excepting those granted to workers engaged only for the season — issued for the European countries was 15,547 in 1922 and 14,338 in 1923. The following table shows the destination, and the number of passports issued :

	1922	1923
To France	2,545	4,997
To Austria	3,776	1,851
To Germany	4,624	736
To Hungary	813	3,386
To Yugoslavia	1,476	959
To Rumania	965	1,026
To other European countries . .	1,358	1,383

The total for trans-oceanic and continental emigrants was, in 1922, 29,890, and in 1923, 32,681 — figures about 40% below those for the last years before the war.

Nearly half of the emigrants are industrial workers. Of the 32,431 persons to whom emigration passports were issued in 1923, 14,408 belonged either to industries or trades; 5,424 were workmen and day-labourers of a general description. Of the industrial occupations, mining and smelting lost the largest numbers of workers — in 1923 emigration passports were issued to 4,127 miners and smelters and to 476 members of their families. The majority of the miners went to France and Hungary.

Many metal-workers, machinists and glass-blowers also left for places abroad; and the building and clothing trades and the leather and wood industry suffered, if only temporarily. On the other hand, the textile, chemical, paper, stone, and earthenware industries as well as those connected with the manufacture of articles of food remained almost untouched.

Agricultural emigrants left, in 1922, to the number of 7,034 and in 1923 to the number of 6,176; amongst them, for the two years, were 2,626 independent farmers. This class of emigrant came for the most part from Slovakia, and in a lesser degree from Moravia. There are almost no agricultural emigrants from Bohemia and Silesia. The majority of the agricultural emigrants sought a home in the American countries — United States,

Argentina and Canada. The European countries attract only seasonal labourers, who numbered, in 1922, 16.621 and in 1923, 10.641 — all of them going to the neighbouring states.

The deciding factor in this question of emigration is, in most cases, unemployment. In 1923, of the 26.302 applicants for passports only 5.370 were employed; 14.370 were out of work and 6.625 failed to give any answer to that question.

The future solution of the Czechoslovak emigration problem depends, of course, on the steady employment in the home industries, i. e. on their succeeding in gaining foreign markets for their products. A State as densely populated as Czechoslovakia, the agricultural products of which are insufficient to supply home needs, must sooner or later act upon the well-known axiom that a State must export either manufactured goods or its people. Therefore the most important task Czechoslovakia has now to face is the restriction of emigration to as great a degree as possible and the increasing of its exports.

SOCIAL INSURANCE.

By LEV WINTER.

The legislative body of the Czechoslovak Republic has formulated the following categories of social insurance for the wage-earners:

1. *Sickness benefit.* All persons doing work for wages on the basis of a mutual agreement and not merely as a side occupation are subject to insurance in case of sickness. The amount of the wage does not affect the liability and it is also immaterial whether the wages are paid in cash or in kind. The insurance is compulsory without regard to the age of the employee; it also covers any disease irrespective of its cause. Therefore, it applies to diseases which have no connection at all with the occupation of the insured persons. The only diseases which do not come within the scope of the insurance are those acquired intentionally, but such cases are very exceptional.

The object of the insurance is partly to supply medical (hospital) treatment and partly to provide financial aid. Insufficient attention was paid at first to the importance of *medical treatment* but lately the correct view has begun to prevail that

the chief aim of sickness insurance is the cure of the patient as soon as possible. The sickness insurance societies, therefore, call in the service of specialists, establish travelling hospitals and sanatoriums and utilize all kinds of watering places for their members. They have also begun to introduce preventive measures, especially in regard to children. It must be added, in explanation, that medical treatment is extended also to the members of the insured's family living with him, and is not restricted to his person alone. It is confidently expected that still greater efficiency will be attained in this field when the sickness insurance societies begin to cooperate with the invalid insurance, which is, naturally, directly interested in a general perfection of medical treatment. The treatment includes, of course, the provision of the necessary *remedies* free of charge both to the insured or to any member of his family. Chemists are obliged to supply them at the expense of the sickness insurance societies more cheaply than to their ordinary patients. But another necessity — if not a direct one — for a successful cure is that the sick person who is deprived of the power to earn money should receive during his illness such a monetary allowance as will at least cover his immediate living expenses. In order to provide this, the law guarantees to the insured for one

year two thirds of the average pay of that one of the fifteen wage classes, to which he, according to his earning capacity, belongs.

Czechoslovakia has also ratified the Washington Convention which stipulates that this aid shall be given to an insured woman *during confinement*, for six weeks before the birth and for the same number of weeks after it, if she abstains from earning money for that length of time. The needs of the population are also served by another provision of the same law, which gives to the insured mother who suckles her baby herself, an extra *premium for the suckling*, amounting to one half of the sick benefit for twelve weeks, which period can be extended to 26 weeks if necessary.

The law on sickness insurance is executed by special organizations, the so-called *sickness benefit societies*. Of these there are several kinds according as to whether they developed in course of time or were able to persist in spite of strong attempts made to concentrate the organization so that it might become more effective. The oldest insurance society is that of the miners; next comes that of the workmen engaged by members of the trade associations, which have largely supplanted the ancient guilds. But the majority of employees are insured with provincial insurance societies, which

in the future will be established in every political district. There are 462 such insurance societies in the Republic, but this number the proposed reform will reduce to some extent. The sickness insurance society is administered by a board of ten members, eight of which are elected by the insured and two by the employers. This board is again controlled by a supervisory committee, in which the proportional representation of the groups is reversed. According to the intended arrangements the sickness insurance society will be subject to a sharp scrutiny by the Central Social Insurance Bureau. The means necessary for the payment of legal dues and expenses of administration are provided by *insurance payments*, to which the employers and the insured contribute equally. The employer pays the total contribution directly to the society and has the right to deduct the share of the insured from his wages. The insurance generally amounts to 6⁰/₁₀ of the insured's pay — in very rare cases only has it reached 8⁰/₁₀.

In 1922 there were 2,443,457 persons insured against sickness. They and their employers paid in insurance contributions a total of Kc 906,907.714 and received Kc 789,264.787 in sickness benefits. The total expenses for medical treatment (physician, drugs, hospital or sanatorium) per member amounted to Kc 42.50. In every 100 insured

there were 66·49 cases of sickness and 0·77 deaths; in every 100 insured females there were 5·7 confinements.

2. *Accident insurance.* In contrast with the sickness benefit the accident insurance does not apply to all employees indiscriminately but only to such groups as are employed in especially dangerous occupations. As such the law considers work done in establishments where large numbers of persons are working (factories) or where the machinery is driven by either mechanical or animal power (mines, quarries or building). Therefore the number of those insured against accidents is smaller than of those insured against sickness. However, the efforts being made to extend the accident insurance to other groups of workers also are very likely to succeed, at least partly, in the near future. Another difference between the accident and sickness insurances is that the accident insurance aims at giving protection against accidents that are directly connected with the place, the time and the nature of the occupation. An exception is the recently introduced measure of protection against accidents which happen on the way to or from work. Obviously the probability of an accident is connected with the degree of danger entailed by the work in the business establishment. The danger may

be a consequence of the nature of the occupation carried on in that particular establishment or it may be the outcome of some technical neglect there.

As regards the sickness insurance which compensates for incapacity caused by disease, it must be pointed out that the nature of the employment is not always the cause of the illness, whereas in the case of an accident it is nearly always so. It would be therefore unjust to demand that the outlay connected with the accident insurance be borne equally by establishments where there is some danger and by those where the risk is smaller. Concerns are therefore divided according to the amount of risk entailed into danger classes, and each class is subdivided according to the percentage of danger involved by their technical equipment. And because the insurance rate for each percentage class of risk is fixed separately, an establishment can make a considerable saving on its insurance payments by introducing equipment the handling of which as far as possible eliminates all risk.

Accident statistics and investigations into the causes of individual accidents led to the passing of a series of ordinances, which prescribed certain safety regulations or furnished instructions as to the prevention of injuries. To some extent, the

War put a stop to this activity but lately it has been renewed.

The object of the insurance is to compensate the insured or his family, in some measure at least, for the pecuniary loss caused by the accident. If the injured person is totally disabled, he is entitled to an income amounting to $\frac{2}{3}$ of the actual wage he was receiving in the particular establishment during the calendar year, reckoned back from the day of his mishap, but not exceeding Kc̄ 12.000. Earnings that would bring in an amount in excess of this sum will not be taken into account. If the loss of his earning capacity is only partial, his allowance will be proportionally reduced, for instance, if the earning capacity of the insured has decreased by 20% then his benefit is fixed at $13\frac{1}{8}\%$ of his yearly earnings when in full employment. If the insured is killed in a factory accident or dies from its effects, his widow is entitled to 20% of his earnings until she marries again, his orphans to 15% until their fifteenth year or, if both parents are dead, to 20%. The combined income of the widow and orphans must not exceed two thirds of the insured's earnings. If it does not exceed this amount, then the ascendants of the insured, also his grandchildren or brothers or sisters below 15 years of age, are entitled to an

income of 20% of his earnings, in cases where the insured has been the main support of these relations. Railway employees, who are injured or killed, are entitled to an allowance larger by 50%. If the accident was caused by negligence on the part of an individual, the guilty party must naturally pay full damages to those injured by his action; the employer stands responsible only when his fault is proved. The law transfers the material responsibility for the injuries caused by the accident to the holder of the accident insurance the whole expense of which is borne by the employers.

The accident insurance is handled by special societies, *The Workers' Accident Insurance Societies* in Prague, Brno and Bratislava.

These societies are managed by boards, the members of which are appointed in equal numbers by the workmen, the employers and the Government. The amount of the insurance contributions is figured out so as to cover, besides the cost of the administration, also the whole capital needed for paying the debts incurred by the accident claims. The insurance rate is at present barely 7% for a full 100% of the assumed risk.

According to statistics for the year 1922 the Accident Benefit Societies in Prague and Brno had 573.093 establishments with 973.296 so-called

constant employees on their lists; the wages the latter received amounted to Kč 9.267,907.057. For insurance contributions Kč 181,477.992. 34 were collected. The number of accidents paid for was 18.853 (1.94%), of which 426 (0.04%) were fatal. Among the recipients of the compensations were: 66.644 injured, 5.492 widows, 3.787 orphans, 518 ascendants. The total cost of the allowances was Kč 45,187.820 and the capital necessary for covering this sum amounted to Kč 435,210.396.

3. *Old age and total disability insurance.*

a) *Miners* are entitled to a total disability (invalid's) allowance when they become unable to perform their regular duties, even if they are able to work in some other capacity. This allowance is given to those who reach the age of 55 and have been insured for 30 years, or to those men of 60 who have been insured for at least 15 years. The allowance is composed of the basic amount of Kč 900 plus the addition of at least Kč 8 for every monthly contribution paid after the end of a fixed period, which is, regularly, of five years' duration. The widow's benefit amounts to one third of the total disability pension; the orphan's allowance paid up to the end of the 16th year amounts to one sixth of it, or to one third if the orphan is left without both parents.

The execution of this miners' insurance is en-

trusted to the *Central Brotherhood Benefit Society* in Prague, which is managed by a board of 20 members, of whom 16 are chosen by the insured and 4 by the employers. All are elected by a majority of votes. The financial administration of the Brotherhood Society has not yet been organized, but the State reserves the right to regulate it by decrees when necessary and requires that both the employers and the insured contribute equally to the insurance funds. So far the miners' insurance has not yet been put into working order in accordance with the terms of the new law.

b) *The insurance scheme for private officials* is arranged as follows: a claim to the total disability allowance is conceded only to those of the insured, who, owing either to a physical or mental defect, are no longer able to follow the occupation in which they were required to be insured. The age limit is 65 years. The insured are divided into 16 classes, according to the amount of their respective salaries; the highest class comprising those whose pay exceeds Kc 9,000. In the first four classes, which include salaries up to Kc 2,400, the employer pays two thirds of the contributions and the insured one third; in the other classes each pays a half. The benefit consists of the basic amount graduated according to the class of the salary, and of additions amounting to $\frac{1}{8}$ of the insurance

contributions; it is payable in the assessment period after the expiration of 120 assessment months. To this allowance is then added the *extra payment for the education of children* who have not yet reached their 18th year, but only when they are still provided for by the insured. This extra payment amounts to $\frac{1}{6}$ of the basic allowance, but the payments for all the children must not exceed 50% of the basic amount. A *widow* is entitled to one half of the insured's allowance, an *orphan* under 18 years to one third, an orphan who has lost both parents to two thirds of it.

The laws, which has been changed several times, is very involved, so that it is well-nigh impossible to render all its provisions in a short report such as this.

The waiting period lasts 120 assessment months. If total disability or death is caused by an accident in the works the payment becomes due at once whether the waiting period has expired or not. The pension insurance of private employees is negotiated by the *General Pension Society* in Prague. Its president is named by the Minister for Social Welfare. The administration rests in the hands of 20 directors, half of whom are elected by the employers, and the other half by the insured. Direct intercourse with the members is maintained by six State offices, under the management of ten

commissioners who are elected periodically, and of a president who is appointed by the Ministry. From former times there still remain a few so-called Supplementary Pension Societies, which were established chiefly for certain branches of industry, (for example, sugar production) but which must grant to their members rates about 20% higher than the law offers. The General Pension Society had on Jan. 1st 1924, a total of 171.803 insured members and was paying out 1954 invalids' allowances, 69 old age pensions, 3.262 widows' pensions and 3.029 pensions to orphans.

c) For all other employees, and thus for the mass of the workers' the old age and total disability insurance is not yet organized. After extensive preparations, based on the census of January 1921, the Government submitted, in 1923, the draft of a law on that subject. At the time of writing (June 1924) the draft was carried through in the Special Committee of Parliament. The bill as it is drawn up contains the following clauses: every employee, whose old age or total disability is not otherwise provided for by law [see paragraphs a) and b)] or by agreement with a public employer—the State, the municipality, etc.—is to be paid insurance under the terms of this law for his old age if he has completed the waiting period

of 150 assessment weeks and is, owing to a physical or mental defect, incapable of earning at least one third of the amount which can be earned by a normally competent workman. The total annual disability pension is to consist of the fixed basic sum of Kč 500 plus one fifth or more of the contributions paid. The same allowance will be paid as in the case of the old age pension, if the insured has reached his 65th year and is not obliged to continue his contributions. The insured's widow is entitled to a widow's allowance amounting to one half of the insured's benefit; the orphans draw one fifth of that sum until they have completed their 17th year, and if they are without both parents, two fifths. The capital necessary to produce these allowances is to be procured by *insurance contributions*, which shall be paid by employers and workers equally. The contributions may amount to Kč 4.30—8.80; according to the class to which the insured, in view of the amount of his earnings, belongs. There are four classes in all. The insurance is to be effected through the *Central Socialist Benefit Society*, with headquarters in Prague. It will be managed by a chairman, appointed by the President of the Republic, and by a committee of 40 members. Three fifths of this committee will be elected and two fifths appointed. The elected as well as the appointed

parts must each consist of one half insured and one half employers. The insured members of the Society are also to elect the representatives on the sickness benefit boards which according to the drafted bill shall assume the whole local management, keep records both of the insured and of the beneficiaries, assess and collect the contributions and also receive the application claims for the payment of allowances. To the allowances the State will contribute, as follows: to a total disability and old age pension Kč 250; to an orphan's allowance Kč 100 or 200. Moreover the State will also pay the contributions of a soldier on active service, if the soldier was obliged to insure before he was called to the army or if his obligation to insure occurs six months after he has left military service. It is calculated in the bill that if the insurance scheme covers 2,600,000 persons, the insurance contributions will reach a sum of about 750 mil. Kč annually; the number of the allowances after the expiration of the waiting period will be 16,627; then at the end of each 10 years the sum will increase to 404,092, 659,983, 940,199, 1,375,031, 1,681,795, 1,760,657 and in 75 years from the putting into operation of the law will amount to 1,767,278. Accordingly, the total of the benefits will rise—reckoning in thousands of crowns—as follows: 10,130, 312,028, 674,224, 1,148,614,

1,984.914, 2,760.480 and 2,917.664; and the contributions of the State will amount—in 1.000 of Kc—in the first years after the law becomes effective; to 6.664, 19.769, 33.578, 48.469, 62.331, 75.674, 88.526, 100.994, 112.765 etc. and in 50 years to 508,529.

CZECHOSLOVAK LAND REFORM.

By Dr. EDVARD VONDRUŠKA.

Among the social and economic reforms that are now going on in the Czechoslovak Republic, the Land Reform is, indisputably, one of the most important. No preliminary steps were taken towards its accomplishment. The independence of the Czechoslovak nation was declared but after this declaration it became necessary owing to the fact that the people could at last manifest their will which had for so long been held in subordination. Thus Land Reform came into being almost over night, owing to the determination of the people to have the social and economic conditions of the country arranged as far as possible in accordance with the dictates of justice.

If from the point of view of historical development and therefore also of cultural progress we distinguish between the historic countries (Bohemia, Moravia and Silesia) on the one hand, and Slovakia and Carpathian Ruthenia on the other, the social grouping of the population is illustrated by the following statistics:

In Bohemia the census of Feb. 15th, 1921,

showed a total of 6,670,582 inhabitants; of those 1,980,368 were engaged in agriculture, forestry and fishing; 2,734,344 in manufacture and trades; 1,955,870 in various other occupations.

Moravia and Silesia had, according to the census figures for the same year, 3,335,152 inhabitants; 1,176,122 persons were engaged in agriculture, forestry and fishing; 1,272,462, in manufacture and trade, and 886,568 in other occupations.

Thus at present agriculture, which is the occupation of primary importance together with forest industries and fisheries, form the means of livelihood for not quite a third of the population in the historic countries (Bohemia, Moravia and Silesia).

Slovakia is quoted in the census returns as having 3,000,870 inhabitants; of these, agriculture, forestry and fisheries employ 1,818,595 persons, manufacture and trade 530,192, other callings, 652,083.

Carpathian Ruthenia numbers 604,745 inhabitants in all; agriculture, forestry and fisheries employ 409,030 persons, manufacture and trade 64,022 and other callings 131,693.

It is evident from these figures that in Slovakia and Carpathian Ruthenia agriculture has a very marked preponderance over industrial and other occupations.

Hence in the Czechoslovak Republic as a whole (owing to the agricultural nature of Slovakia and Carpathian Ruthenia), there is a slight preponderance of agriculture over industry. In 1921 the figures for Czechoslovakia were as follows.

People engaged in agriculture, forestry	
and fisheries	5,384.115
„ „ „ manufacture and	
trade	4,601.020
„ „ „ other occupations .	<u>3,626.214</u>
Total	13,611.349

Agriculture thus gives employment to nearly 40% and industries and trades to a little over 33% of the population.

The census of 1921 gives the following numbers of people engaged on an independent basis in agriculture, forestry and fisheries:

	men	women	total
Bohemia	267.082	47.492	314.574
Moravia and Silesia	150.857	34.753	185.610

The same census also shows, for Bohemia 8,281 fewer men (including farmer proprietors) engaged independently in agriculture than in 1910 a fact which is explained by the losses suffered in the War. On the other hand, the number of women engaged independently in agriculture has increased in the last 10 years and as early

as 1921, it was obvious that there would be a moderate increase in agricultural undertakings.

Of farmhands and day-labourers employed in agricultural pursuits (excluding forestry and fisheries) there were, in 1921 :

	men	women	total
Bohemia	193.319	192.179	385.498
Moravia and Silesia	103.623	110.857	214.480

The total number of farmhands, day-labourers and family members helping in agricultural work was, in 1921 :

	men	women	total
Bohemia	308.481	296.205	604.686
Moravia and Silesia	176.992	175.422	352.414

although as late as 1910 the totals were, in the industrial regions, as follows :

In Bohemia, farmhands, day-labourers and helping family members	913.077
In Moravia and Silesia, farmhands, day- labourers and helping family members	522.604

This decrease can be explained by the unusually favourable industrial opportunities, which caused a flow of agricultural workers to the factories.

In Slovakia and Carpathian Ruthenia this decrease during the last 10 years was not so large as in the historic countries, although similar conditions were also operative there.

The result of the 1921 census furnishes us with the following data as to conditions in Slovakia and Carpathian Ruthenia: in each 1,000 inhabitants engaged in agriculture 371 were independent, 12 were officials, 339 were skilled workmen and day-labourers and 278 were family members; while in 1910 the numbers in 16 counties of Upper Hungary were: independent workers 385, officials 5, workmen and day-labourers 369, family members 241.

A comparison of the numbers given in the last census shows that there were to every 1,000 independent agriculturists:

	Farmhands and day-labourers
Bohemia	1.200
Moravia and Silesia	1.142
Slovakia	934
Carpathian Ruthenia	605

Deductions based on these statistics and taking into account the numbers of the officials in the individual countries (see the work written by Dr. A. Boháč on the economic and social conditions of the population of the Czechoslovak Republic, as shown by the last census. Published by the Bohemian National Economy Society, Prague 1923) show that in Slovakia the large estate (latifundia) is more wide-spread than in

the historic countries. The medium sized estates of Slovakia are at a disadvantage compared with the latifundia on the one hand and small properties on the other, while in Carpathian Ruthenia small agricultural holdings are in the vast majority.

In order to give a complete and clear picture of the social and economic conditions of the peasant class in the Czechoslovak Republic, we present also the following data:

Of the total area of the Czechoslovak Republic, — 14,035.190 hectares, — there are

	Fields	Meadows	Gardens
Bohemia .	2,463.302 ha	565.826 ha	60.325 ha
Moravia .	1,155.864 „	171.468 „	27.104 „
Silesia . .	203.349 „	30.784 „	9.992 „
Slovakia .	1,858.511 „	441.914 „	43.297 „
Carpathian Ruthenia .	219.006 „	176.196 „	9.488 „

The area of Bohemia is 5,205.308 ha, thus its fields, meadows and gardens include 59·5% of the total area; in Moravia which has an area of 2,230.351 ha, fields, meadows and gardens cover 67% and in Silesia 54·3% of the total area of 441.999 ha. In Slovakia, which has an area of 4,893.589 ha, 47·9% is under cultivation as above and of the 1,263.943 ha of Carpathian Ruthenia

the percentage is 32. The pastures in Bohemia cover 5⁰/₀ of the total area; in Moravia 5·6⁰/₀; in Silesia 5·1⁰/₀; in Slovakia 12·4⁰/₀ and in Carpathian Ruthenia 15·2⁰/₀. The forests in Bohemia occupy 30⁰/₀, in Moravia 28·8⁰/₀, in Silesia 35·1⁰/₀, in Slovakia 34·1⁰/₀ and in Carpathian Ruthenia 49⁰/₀ of the total area.

The fields, meadows, gardens and vineyards in the Czechoslovak Republic cover an area of 7,449.682 ha.

According to statistical investigations of land holdings published on Dec. 31st 1896 the distribution at that time in Bohemia, Moravia and Silesia was as follows:

Size from	Holdings	Area
0.0 to 1/2 ha	667.526	102.232 ha
" " 1/2 "	1 "	201.389 " 144.393 "
" " 1 "	2 "	180.542 " 256.684 "
" " 2 "	5 "	176.826 " 560.855 "
" " 5 "	10 "	103.497 " 744.079 "
" " 10 "	20 "	94.960 " 1,354.688 "
" " 20 "	50 "	51.813 " 1,449.352 "
" " 50 "	100 "	4.181 " 276.924 "
" " 100 "	200 "	1.126 " 151.984 "
" " 200 "	500 "	567 " 173.954 "
" " 500 "	1.000 "	214 " 154.240 "
" " 1.000 "	2.000 "	165 " 240.503 "
" above 2.000 "		236 " 2,150.680 "

The holdings from 0·0 to 2 hectares amount to 70·7^o/_o of the total, but take up only 6·49^o/_o of the entire land area; the holdings from 2 to 10 *ha* amount to 18·9^o/_o of the total and take up 16·82^o/_o of the area; those from 10 to 100 *ha* form 10·2^o/_o of the holdings and measure 39·69^o/_o of the area; those from 100 to 500 *ha* are 0·12^o/_o of the holdings and include 4·2^o/_o of the land; those from 500 to 2.000 *ha* are 0·04^o/_o of the holdings with 5·09^o/_o of the land, while the *latifundia* (large estates) of 2.000 *ha* and over form only 0·02^o/_o of the holdings but cover 27·71^o/_o of the total land area. Thus the holdings of and above 100 *ha* equal 0·18^o/_o of the number of land-holdings, but include 37^o/_o of the entire area, i. e. more than one third of the total area of the state.

The statistics of 1904 relating to Slovakia give the number of land-holders owning from 0 to 10 acres (Czech = *jitro* — German = *Morgens*) as 206.806; from 10 to 100 acres, 88.535, and above 100 acres, 2607.

The statistical investigations of 1895 as to the number and size of agricultural estates in 16 countries of Upper Hungary led to the following results:

		Area	Acres
Size	0·1 acres	112.894	46.010
„	1·5 „	168.879	466.933

Size		Area	Acres
	5-10 acres	115.912	835.681
„	10-20 „	91.147	1,269.479
„	20-50 „	42.134	1,217.070
„	50-100 „	6.725	450.716
„	100-200 „	1.984	276.172
„	200-500 „	1.653	523.934
„	500-1.000 „	871	615.996
above	1.000 „	935	3,151.881

As was mentioned above, both Slovakia and Carpathian Ruthenia show a comparatively small number of medium-sized estates, while 935 large estates of over 1.000 acres cover more than 35% of the whole area. Here the latifundia and the small, almost Lilliputian holdings predominate.

During the period between the last statistical investigation into the size of the land-holdings and the proclamation of the independence of the Czechoslovak nation, no conspicuous change took place in the relative proportions of the small, medium-sized and large holdings or, rather, the disproportion between the large estates and the medium and small holdings remained unaltered.

This unjust as well as economically injurious division of land in the Czechoslovak Republic was a sufficient cause for not delaying the Land Reform any longer, so that the people could gain

a decent living by primary agricultural work in their own country. Therefore, shortly after the restoration of the independent national State, the first National Assembly took up the problem of Land Reform and proceeded to deal with it by law.

As early as Nov. 9th, 1918, the National Assembly passed a law decreeing that in the historic countries all the land forming part of the great estates (the majority of which are recorded in the State registers) be secured for the purpose of the Land Reform, in order to prevent its being given away privately or sold in circumvention of the law. This is the so-called Expropriation Law, which declares invalid any alienation, pawning of or imposition of financial burdens on State-registered lands whether by agreement or execution, if the consent of the State authorities be not first obtained. In addition on Dec. 10th 1918, the National Assembly also secured for the purpose of Land Reform by a special temporary ordinance the latifundia holdings in Slovakia.

More legislative work on the subject of Land Reform was soon to come. In all the surrounding states either the preliminaries for Land Reform were already under way or the work had actually begun, especially in Germany, Poland, Austria, Rumania and Yugoslavia, and even in Hungary, where the First (Karolyis) Government hastened

to act by establishing Land Reform offices in all countries.

In the Czechoslovak Republic social and economic conditions were making imperative the speediest possible bringing into operation of Land Reform. The comparatively insignificant share of land per person, the disproportionate extent of the latifundia, the unceasing emigration of the rural population, to which only the war put a temporary stop, and their influx into towns already crowded with factory hands and persons of other callings, the prevailing system of land-renting and the absenteeism of the landlords — all these factors had place in the determination to make an end of the unjust distribution of land, in order to relieve the social and economic needs of the time.

It should be added that the continued depopulation of the rural districts caused mainly by the lack of land and the impossibility of purchase from the latifundia, had assumed, before the war, almost alarming proportions and that, at the present time, more than 1,300,000 Czechoslovak citizens have to live abroad because a great many of them could not find employment at home.

Neither the owners nor the tenant-farmers of the great estates have ever been willing to surrender even the smallest portion of their land for

the enlargement of the tiniest peasant farms; on the contrary, they have increased the size of their holdings by buying up or leasing as much land as they could obtain, whilst the ordinary farms have been constantly decreasing in size. This reducing of their holdings has driven the members of farmer's families either into the towns (to the factories) or out of the country.

The Bohemian lands before the war thus early furnished a typical example of a country possessing too many latifundia, a condition clearly to its own disadvantage; while Slovakia and Carpathian Ruthenia did not take second place but even surpassed them in that respect. Every region of Czechoslovakia in which large estates predominate, has always been the scene of sharp social distinctions, of economic misery for the majority of the inhabitants and consequently of cultural backwardness.

The Czechoslovak legislation on the problem of Land Reform aims at a more equitable distribution of the soil. During the first year after the war, filled as it was with social and economic unrest, there was no time for the working out of any detailed regulations on Land Reform. Moreover, the political atmosphere in Central Europe did not allow of any calm deliberation on the subject.

Consequently, although the first National Assembly began at once to make preparations for dealing with the question of Land Reform by means of legislation, it had to content itself at first with a provisional or draft law. This is the so-called Expropriation law of April 16th, 1919. It was thus named because it affected estates containing more than 150 hectares of agricultural soil or over 250 *ha* in total extent, and restrained the owner by law from alienating, partitioning, encumbering, leasing or renting the property at will. In this way the dispositions of the owner were made subject to the consent of the State authorities and the large estates were secured for the purposes of Land Reform without depriving the owners or the persons managing them (tenants) of the administration of the property. By this means the Law of Expropriation established the principle that Land Reform shall apply solely to large landed properties, and that only the land of estates in excess of 130 *ha* (of fields, meadows, gardens and vineyards) or 250 *ha* of land in all, can be forfeited for the purposes of Land Reform. All land below this figure shall be left to the great land owners as their own property. Excluded from expropriation are: all public properties (State, provincial and municipal) and objects legally or economically independent which are of

no service in the management of the expropriated property. The working out of more explicit regulations as to the manner of transfer and the compensation for and apportioning of the land, was left to the next legislative Assembly, but the listing of all the expropriated property was ordered and it was laid down that owners must be left in possession of 150 ha of farming land or of 250 ha in all, and that, in some cases, they may be allowed even 500 ha; further, that before the taking over of the land the persons managing it must be given notice. The execution of the Land Reform was entrusted to a newly created department, the State Land Office.

While the work on the preparations for the execution of an extensive Land Reform was going on, the settlement was effected of a problem that was already ripe for solution and needed neither the provision of new means nor the creation of new offices. This was the purchase of long-term leases or, as the law of May 27th, 1919 has expressed it, the securing of land for the *small* tenant-farmers. A large number of the Lilliputian agricultural undertakings depended for their existence on the leasing of land belonging to the latifundia, to the Church or to some other foundation, and this circumstance created perpetual insecurity in the economic and social conditions of

these small tenants for it placed them at the mercy of the will or whim of the parties administering those estates. During the period of greatest post-War distress, when food was scarce and both towns and country districts were endangered by unemployment, it became imperative to secure the existence of the small tenants. The above-mentioned law, therefore conceded to them the right either to purchase the land they were then renting or to keep it for a further period of six years at least. By a small tenant farmer the law understands an agriculturalist whose own land together with that leased from a latifundia etc. does not amount to more than 8 ha. He is, according to the terms of this law, allowed to buy the land made purchasable by the law, or to continue to rent it if it has been worked either by himself or his predecessors since Oct. 1st, 1901. The law also stipulates, that the purchase price is to be that of 1913 and that the small tenant farmer can either pay the whole sum at once or settle it in ten annual instalments, providing that he can afford to pay the first two instalments together. The purchasers of land are not allowed to alienate it before the expiration of ten years without the consent of the State Land Office. The law does not apply to agricultural lands that lie within the boundaries of towns and villages, nor to lands owned by

municipalities nor, finally, to lands marked out as being needed by public corporations for building development, for their municipal enterprises, hospitals, sanatoriums or other humanitarian establishments.

The results of the act as shown in the purchases of land made by small tenant farmers were, up to the end of 1922, as follows :

Bohemia	82.543 ha	of land bought by	99.031	small farmers		
Moravia						
and Silesia	15.436	24.625	
Slovakia						
and						
Carpathian						
Ruthenia	3.140	4.831	
<hr/>						
Total	..	101.119 ha	of land bought by	128.487	small farmers	

Only those claims have been taken into account which were legally decided and favourably disposed of before Dec. 31st, 1922. The total purchase of land, according to the law of May 27th, 1919 can be estimated to amount to at least 110.000 ha. The transfer price for the 101.119 ha of land which the court adjudged to the farmers amounts to Kč 179,083.380.

In the year 1920 the first National Assembly passed the laws which definitely put into force the Law on Expropriation, in the following order: the law of apportionment, on Jan. 30th,

1920; the law on the farming of the expropriated land, on Feb. 12th, 1920; the law on the granting of credit, on March 11th, 1920 and the compensation law, on April 8th, 1920.

In the year 1919 a law was passed creating the State Land Office, which was charged, by the Law on Expropriation, with the putting into execution of Land Reform. The new department was made independent (subordinated only to the Ministerial Council), with a president and two vice-presidents at its head. The seat of the Office was established in Prague, but for the carrying out of some of its tasks several district offices had to be set up. There were, by the summer of 1924, eleven of these district offices, which are authorities of first instance for all matters concerning Land Reform, located in the following towns: Prague, Plzeň, Budějovice, Mladá Boleslav, Hradec Králové, Brno, Olomouc, Trentshin, Zvoleň, Prešov and Užhorod. Their work is controlled and in some cases directed by the Chairman's board of the State Land Office, which is composed of 12 members who are elected by the National Assembly for a period of three years.

In accordance with the Law on Expropriation the drawing up of a list of the great landed estates was also ordered even before the laws for put-

ting into execution the Law on Expropriation were passed. The list contains the following figures: the total amount of expropriated land in the Czechoslovak Republic is 3,963.064 ha, or 28·2% of the whole area. Of that amount, agricultural land (fields, gardens, vineyards, hop-gardens) covers 1,028.243 ha, meadows 201.445 ha, grazing land 181.360 ha, forests 2,453.465 ha, and building land, water areas etc., 98.551 ha. Thus the area of agricultural land involved in the expropriation is 1,229.688 ha, i. e. 16·5% of all the agricultural land in the State. Expropriated non-agricultural ground (especially forests and water areas) covers 2,733.376 ha or 41·4% of all such land in the State. The expropriations throughout the whole Republic number 1730, including 786 in the Bohemian countries and 944 in Slovakia and Carpathian Ruthenia. Amongst the number are 754 of the largest estates with 500 ha each and a total area of 261.850 ha. Of the 786 Bohemian expropriations 65 involved the estates of corporate bodies. The expropriated Church-lands in Czechoslovakia have a total area of 489.748 ha, and comprise 139.492 ha in Bohemia, 154.676 ha in Moravia and Silesia, 193.700 ha in Slovakia, and 1.880 ha in Carpathian Ruthenia. The number of owners concerned is only 85.

The first executive decree of the Law on Ex-

propriation was the Law on Apportionment (Jan. 30th, 1920), which was the source of instructions regarding the distribution of the expropriated land. According to this law the State Land Office will apportion all the expropriated land, except such tracts as the state may keep or use for the common good, as follows :

1. to individuals, that is to small agriculturalists, crofters, small tradesmen, agricultural and forestry employees, people owning no land, and especially to legionaries and members of the armed force of Czechoslovakia, as well as to the survivors of such of them as fell while fighting for their country or died from the effects of war-service; also to war-invalids and survivors of those who either fell in the war or died from the effects of military service;

2. to associations formed of individuals designated above in 1 .

3. to autonomous public societies, corporations and institutes which do not exist for profit, as building-associations, societies, foundations etc.;

4. to agricultural and consumers' associations;

5. to municipalities and other public corporations;

6. to other corporate bodies, institutes and establishments for scientific, humanitarian and other good purposes.

To the individuals included under N° 1 land shall be apportioned of a size sufficient to support them, so that they may establish themselves independently in agriculture. The smallest farms are to have land added to them to the extent of making them self-supporting. Land can be granted for building-ground, for business purposes, for the planting of gardens, fencing in of yards and for the necessary extension of these improvements and small agricultural undertakings. It can either be disposed of on a lease or sold outright; and may pass into individual or collective ownership (to associations and also in general, to combinations of persons other than associations). To municipalities and other public corporations land can be apportioned for the completion of their land holdings or for the creation of municipal enterprises; under this heading come also agricultural undertakings serving local needs or providing food for the municipal institutions etc. Pastures are to be apportioned first of all to communities and agricultural associations. Forest ground is to be kept by the State itself or, in case of proved need, apportioned to communities or other public corporations and associations, providing that they guarantee to manage it properly. Fish-lands are to be apportioned, as a rule, to communities and other public corporations or associations. Indus-

trial concerns can be apportioned especially to such associations as were organized for agricultural activity and for the maintenance of agricultural production, and here again due regard is to be paid to those who produce the raw materials used in these establishments, as well as to the consumers of their products. In order to obtain land for the purposes of Land Reform in those places where there is either no expropriated land at all or not enough of it, the State Land Office can exchange expropriated land for some that has not been expropriated and can utilize for this exchange the so-called remnant estates, which remain after the division and distribution of parts of the land of expropriated latifundia. If all these remnant estates are not used by the Land Office in exchange for land not appropriated under the law, it has to distribute them amongst qualified applicants, who are capable of managing larger agricultural enterprises. Whole estates or large land-allotments cannot be divided when apportioned, i. e. the owners right of disposal is restricted. For instance, the encumbering, alienating or leasing are subject to the consent of the Land Office; also, succession to the property after the owner's death is controlled by this clause, because an estate of this kind must not be divided. The object is to preserve the agricultural estate as a whole so

as not to take away its self-sufficiency. All estates of 6 to 10 *ha* of agricultural land or, in some cases, of 15 *ha* according to the quality are considered by the law to be self-supporting. From any share in the apportionment are excluded: 1. all who are not Czechoslovak citizens, 2. persons sentenced for criminal actions of which the loss of suffrage is one of the consequences, and moral perverts, 3. persons physically or mentally incapable of devoting themselves to the purpose for which the land is being granted, except war-invalids who are to be provided for and whose families can offset their lack of capability.

The law concerning the farming of expropriated land (passed Feb. 12th 1920) contains regulations which are intended to censure the integrity of the expropriated land from the economic point of view, and to preserve, with the object of making the agricultural production as intensive as possible, the estate in as good a condition as possible.

By the credit law (of March 11th 1920) regulations on the granting of credit to the acquirers of land were laid down. According to this law all persons who acquire land can be allowed both tenure and administration credits. Tenure credits for the purchase of land can be given up to nine tenths of the apportionment price, and for the putting up of farm buildings up to half of their

cost. The credit is long-termed and the interest will not be raised. Credit to legionaries, war-invalids, the members of their families and the families of fallen soldiers can be granted from the funds established for their support. The operation credit will be given only to corporations and associations. The Land Office grants the administration credit either in cash from its funds or it will go surety, in the name of the State, up to half of any proved loss; in return for this the association itself or a credit bank must then give a guarantee. These surety obligations are placed at the most at Kč 200,000.000. For the support of internal colonization a general colonization fund was established at the State Land Office and was endowed by the State with the sum of Kč 20,000.000. In accordance with the law, regulations governing credit applications were issued (Gov. Decree of March 30th 1921). A fund of Kč 1,000.000 was also established for the benefit of the Czechoslovak legionaries. The statutes of the general fund for the support of internal colonization were issued by the decree of Oct. 30th 1922.

The last of the laws connected with the putting into execution of the Expropriation Law was the Compensation Law of April 8th 1920, which was later amended by the decree of July 13th 1922. This law contains the regulations dealing with

the taking possession of and payment of compensation for the expropriated land. The law stipulates that the amount of compensation for this land is to be fixed at the average price obtained for land during the years 1913–1915 at free land sales for parcels more than 100 ha in extent. From the basic price gained in this manner reduction are to be graduated according to the size of the expropriated tract or the time at which the area is to be taken over by the State. These so-called latifundial reductions amount to $\frac{1}{10}\%$ of the basic compensation price and are raised every year by $\frac{1}{20}$, if the expropriated land was not taken possession of before 1923. A latifundial reduction must not amount to more than 40%. Latifundial reductions go into the general fund for the support of internal colonization. All improvements and investments made after Aug. 1st 1914 will be specially estimated on the basis of the actual purchasing and building costs, less the proper amount for amortization. In particular, the outlay on the obtaining of new crops and the value of these crops will be considered, and a new valuation will be made of the fruit trees in the orchards and the wire-netting in the hop-gardens. Artificial fertilizers, if not already used up by the party farming the land, will be paid for in cash. The transfer price will either be paid

by the State Land Office to the owner in cash or it will be put to his credit in the Compensation Bank, where the compensation account is kept. The Compensation Bank is, at present (1924), the postal clearing house, and thus a State institution. If the transfer price is not satisfactory, the owner or the party having a legal claim to the land can appeal to the court within 30 days from the date of the receipt of the decision and the complaint can be carried through three instances until it reaches the supreme court. As soon as the decision about the transfer price becomes legally valid, the competent court will compute the price on the basis of the highest bid for real-estate sold by auction. If the compensation for the land taken over is not exhausted by the demands of the creditors, the claim of the former owner will be satisfied by the State; if not in cash, then it will be amortized at the rate of $\frac{1}{2}\%$ annually and bear 4% interest. The creditor in his capacity as owner of the recorded claim cannot call it in unless the claim belongs to institutions or funds which give mortgage credit on orphan's security. After the expiration of five years from the time of entry in the compensation account, claims belonging to former registered creditors and other lawful claimants can be called in by them. The compensation law empowered the Govern-

ment to issue binding regulations for the fixing and calculating of the transfer price of expropriated land taken over by the State, and the Government then issued, on Jan. 21st 1921, directions with tables for the calculation of land prices and instructions regulating the calculation of the transfer price of forests.

The amendment to the compensation law extended the scope of the original orders as to the safeguarding of the employees of the expropriated estates, and also decreed that if the permanent employees lose their occupation in consequence of the Land Reform, they should be compensated in one of the following ways: 1. by having land apportioned to them; 2. by the finding of suitable work for them; 3. by the receipt of monetary compensation; 4. by the granting to them of old age and total disability pensions. All such claims for payment made on the State and arising out of its obligation to look after these employees will be settled by the State Land Office from the general colonization fund, which is supplemented by the above-mentioned latifundial reductions and also by a special 15% addition to the apportionment prices which is collected from the acquirers of the land. For the provision of old age and total disability pensions for the permanent employees a fund of Kč 5,000,000, furn-

ished by the State, was established. This fund is administered by a commission of seven members. It has its own income composed of the so-called "hectare" assessments (authorized by the compensation law) which are collected from the great landowners and allow them only 250 ha unassessed. Special government decrees regulated the maintenance of the permanent employees of large estates and also ordered the arbitration commissions, created by the compensation law, to receive complaints from the employees, should they feel dissatisfied with any decisions made by the State Land Office in regard to their maintenance.

The Compensation Law also granted a sum of Kc 150,000.000 to be disposed of by the State Land Office as the "compensation fund necessary for the purpose of executing the Land Reform".

In the first executive law (the law on apportionment) the fact was kept in sight that the putting into operation of the Land Reform and the preparation for it, especially in so far as it involved the creation of the new department and the drawing up of a list of the expropriated land, would occupy a considerable time, and that it would be impossible to satisfy the demands of the applicant for land in those places where their needs were most pressing. Therefore the tempor-

ary stipulations of the apportionment law arranged the form of the so-called compulsory renting in such a way, that the State Law Office can order the persons administering the large estates to rent to the persons named first in the scheme for apportionment, a proportionate parcel of land if they can offer a guarantee for its proper management and if such management will not interfere with production or hurt the interests of the permanent employees of the expropriated estate or, finally, will not adversely affect the people's food-supplies. However, by a special law of July 13th 1922, temporary compulsory renting, in those cases where the term mutually agreed on was shorter than six years, was extended to a full six years. The task of putting into operation the temporary compulsory renting was transferred to political district administrations, which were to make decisions in the first instance. For their support special councillors were appointed and in each political district a district council was set up composed of trustees of all the groups interested. Such councils were also appointed in all villages. In the selection of those who were to be called on for compulsory renting the fact was born in mind that such renting is an extreme measure for the relief of the smallest agriculturists and people having no land at all. The intention was to pro-

vide the applicant and his family with a living by renting to him the land. In the Republic as a whole there were marked out, in 1920 and 1921, for compulsory renting a total of 141,172 ha; in Bohemia 40,291 ha were divided amongst 101,228 applicants, in Moravia and Silesia 21,005 ha amongst 69,022 applicants, in Slovakia 33,780 ha amongst 65,034 applicants and in Carpathian Ruthenia 46,096 ha went to 29,898 applicants. The average size for the whole Republic of every compulsory renting is 0.53 ha.

In addition to compulsory renting and the actual execution of the Land Reform the State Land Office started also in 1920 to deal with the apportionment for building purposes of the expropriated land. The object of this action was to relieve, by means of the use of the expropriated land, the scarcity of houses and to make possible the erection of farming buildings, small traders' premises and various humanitarian and gymnastic establishments and the laying out of gardens and yards. The apportionment of the expropriated land for building purposes was limited only to what was most urgently needed, and the authorities exercised the strictest control in that respect. Thus, for instance, the allotment for a family cottage with a small court without a garden was 250—400 square metres or with a

garden, up to 700 sq. m., the total amount for a cottage with a small tract of land being 1.200 sq. m.; for the building of a group of farmhouses, up to 2.500 sq. m. for rural public schools with a court and garden, 3.000 sq. m.; for gymnasiums with training ground 5.000 sq. m., and for small traders' shops, not more than 500 sq. m. The majority of the applications for land (about 2/3) were disposed of by agreements between the owners and the applicants. At the end of 1922, 988 allotments amounting to 537 ha out of all the expropriated land in the Republic were given for physical training, the building apportionment taking 311 ha of the total. The results of the building apportionment are shown by these figures: number of application in the whole Republic, 49.151, grants, 32.000. The area applied for was 12.000 ha, valued at an average cost of Kč 10.000 per hectare. In this application alone over 6.000 ha of land were granted.

According to programme the carrying out of the Land Reform was begun by the State Land Office in 1921. By the end of 1923 a total of 170.529 ha of agricultural land were already taken into possession; of that amount 81.483 ha were in Bohemia, 22.846 ha in Moravia and Silesia, 51.200 ha in Slovakia and 15.000 ha in Carpathian Ruthenia. In addition to agricultural land 22.901 ha of non-agricultural land, including

19.351 ha of forest ground, were also taken over during the same period. There were 188,927 applicants for this land of whom 40.850 owned no land at all, 99.947 were agriculturists and 48.130 were of various occupations. No more than 15% of the applicants came from the agricultural class, and owned 5 ha of land or over; the rest either owned none at all, or were agriculturists with less than 5 ha. Up to the end of 1923, 6.218 legionaries and 9.899 war-invalids made applications for allotments.

At the end of 1923 land was distributed to 21.635 persons who possessed no land, to 62.812 agriculturists and to 32.705 persons with various occupations; that is, to 117.152 applicants in all. Of the total number of those whose lands were apportioned 98.6% were private individuals, the rest corporate bodies. The first place among those to acquire land belongs to agriculturists; the second to tradesmen and mechanics; the third to farmhands (10.06%) and the fourth to industrial workers and employees (7.98%). On the large estates allotments were sought, up to the end of 1923, by 4.226 employees in all and received by 3.640.

For small allotments, up to the end of 1923, 137.041 ha of the expropriated lands were used of the total amount of the agricultural land taken

over 170.000 *ha* and the remainder were left with the farms which, after the small apportionments were completed, now formed the so-called remnant estates. The number of the small allotments was 116.748 *ha*, of the remnant estates 436. The average area of small allotments, and of the remnant estates 80 *ha*. The majority of the latter were apportioned to tenure in fee simple. The employees of the large estates received of these remnant estates 113, the tenant farmers 135, the State 25, public corporations 10, municipalities 16, cooperative bodies 17, humanitarian institutes 1, legionaries 26, practical agriculturists 46, and all other applicants 29.

Up to Jan. 31st 1924 maintenance was provided in conformity with the Land Reform legislation, for 13.018 employees on the large estates; of that number 257 were officials, 1.112 employees, 5.184 persons who received regular allowances, and 6.465 labourers.

Individual land allotments were given to 2.552 employees; 218 received cooperative leases, 4.831 financial compensation, 5.010 were provided with other work and 407 were pensioned off. The area of the land apportioned to the employees by the end of 1923 totalled 8.283 *ha*; of that amount 3.883 *ha* were in small allotments and 4.400 in remnant estates. The compensation paid

to the employees by the State Land Office in the same period amounted to Kč 22,000.000 and its contribution towards the partial covering of the apportionment price was Kč 9,000.000. As mentioned above, the amount of compensation given to 4.831 employees averaged, for an official, Kč 26,000, for an employee, Kč 9.000; for persons in receipt of allowances, Kč 3,500 and for common labourers, Kč 3.400. The average compensation for a family of a labourer working on the basis of the allowance amounted to Kč 8.000.

Pensions were granted, up to Jan. 31st 1924, to 407 persons. Their total yearly receipts are Kč 1,110.000.

In order to obtain land allotments the employees formed a considerable number of cooperative societies, 9 of which, up to the end of December 1923, had been granted land and are now farming 1.196 hectares. They have 185 members, all working on the land.

By means of the colonization of large landed estates 6.357 ha were settled in Slovakia up to the end of 1923 by 593 families divided into 20 colonies. Besides this official colonization many private efforts also were made, the number of colonists being 285 on 3.800 ha of land.

In Carpathian Ruthenia a large colony was

founded by the legionaries in 1923 with an area of 966 ha.

In addition to the legislation of first importance on this question of Land Reform, attention was also paid to the protection of small tenant farmers on lands not expropriated, and the Czechoslovak legislation already includes a series of laws by means of which the small tenant farmers are safeguarded against receiving notice without sufficient cause being shown. The laws prolong, under certain conditions, the small leases even against the lessor's will, if the lessee declares in proper time that he wishes to remain in the place. These legal provisions are, of course, of a transitional nature and merely supplement the work of social welfare for the small agriculturists in the Czechoslovak Republic during the period since the War.

CZECHOSLOVAKIA AND THE INTERNATIONAL ORGANIZATION OF LABOUR.

By Dr. EUGENE ŠTERN.

Although living for centuries under a foreign yoke the Czechoslovak people had become independent, owing to their democratic spirit of self-reliance and their social traditions, long before they actually won political freedom. The restoration of independence to the State by the terms of the Treaty of Versailles was interpreted by them not merely as a national gain, but also as an act of social justice emanating from their growing democratic spirit. Both politically and socially they had been kept under the heel of the Germano-Magyar aristocracy and plutocracy enthroned by the former Austro-Hungarian régime, but by their thinkers, from Comenius to President Masaryk, they were educated in humanitarian ideas which taught them never to commit an injustice, to offer at the same time a dogged resistance to any act of injustice, national or social, *to pin their faith to the idea of justice and so look forward to a better future for their own nation and for mankind in general.*

Thus it came about that the foundation of the League of Nations and of the International Labour Organization appeared to the Czechoslovak people in the light of the advent of a higher organization both among the nations and within the States themselves. Precluded by their small numbers from holding their own in the world by force they entertain the desire to win a place by upholding the idea of peace among nations and by wholeheartedly supporting the ideal of widespread social justice. The realisation of those international institutions means for them the safeguarding of their own interests, since, in politics, their salvation is bound up with the preservation of universal peace, while their economic life needs an international guaranty of their progressive social legislation. So they are alive, in the sphere of ideals no less than in practical concerns, to the meaning of the sentence contained in the introduction to part XIII of the Peace Treaties, which declares that if any State refrains from introducing really humane working conditions it becomes an obstacle on the road of progress to such States as endeavour to better the situation of the working classes. This is why, from the outset, the Czechoslovak people have supported the efforts of the International Labour Bureau and have actively cooperated in whatever confer-

ences, boards of administration and committees they have been summoned to take part.

Yet let us not waste words. We cannot better outline the relations of Czechoslovakia towards the International Labour Organization than by showing its attitude towards the resolutions included in international conventions and adopted by Labour conferences, and to what extent it proved its willingness to adhere to the international norms thus proposed.

*I. The International Labour
Conference of the year 1919 adopted
in Washington
the following 7 Conventions:*

1. *Convention on the 8 hours' working day in industry.* Among the general principles laid down in paragraph XIII of the Peace Treaty (art. 427 of the Treaty of Versailles) determining the methods by which the contracting parties were resolved to secure international peace founded on a social basis, we find under clause 4: the adoption of an 8 hours' day or a 48 hours week is an ideal to be striven for wherever it has as yet not been attained.

The Washington Conference, the programme of which formed a supplement to Article 426 of the Treaty of Versailles, voted the convention on

the 8 hours' day by a division of 89 against 2. Yet among all the industrial States of Europe, Czechoslovakia alone has as yet ratified, without any restrictions, this important convention. Its Parliament took this step no later than 1920, and the ratification was registered on August 24th 1921.

It did so in the firm belief that the other States, whose representatives had drawn up and signed the Treaty of Versailles wherein the principle of the 8 hours' day was laid down, and who had given in Washington their assent to the convention, would also proceed to its ratification. It is a regrettable fact that the fulfilment of this expectation was thwarted by the post-War distrust among States, and that whilst Czechoslovakia has remained alone in its assumption of the terms of that international engagement, its industrial neighbour and competitor, Germany, abandoning all but the general principle of the 8 hours' day, has proceeded to a prolongation of the working day.

Czechoslovakia undertook the ratification in accordance with its law of December 19th, 1918 (N° 91 of the Collection of laws), the principal clauses of which are of much wider scope than those of the Washington convention, in as much as they bear also on commerce, on the professions

and, in part, even apply to agriculture. They are dealt with in a special paper on this subject.

2. *Convention on unemployment.* Czechoslovakia has abstained from ratifying this convention though an endeavour is made to act up to it in the fullest possible degree. This instance may be cited as a proof that Czechoslovakia never ratifies any convention unless its local conditions are in formal and practical accord with the provisions set down.

This convention enjoins in clause 1 that the States should send in, at least every 3 months, to the International Labour Bureau reports on the state of the labour market and, above all, on the unemployment in their respective territories. This injunction is complied with by Czechoslovakia every month, as shown in the international survey published on unemployment by the "Revue Internationale du Travail".

Clause 2 of the said convention imposes on the States the duty of providing, under a supreme official control, a network of free public registry-offices which are connected with committees the members of which must be chosen equally from among employers and employees. In Bohemia there exists a provincial law in pursuance of which every district is endowed with a public labour registry-office, whereas in the other parts of the

Republic there are other regulations or there exist public registry-offices instituted via facti by an administrative decision of the autonomous units.

Czechoslovakia has refrained from ratifying the convention, as its Government has laid before Parliament a bill on the means whereby work may be procured (No. 2106/21 parliamentary papers). This law is intended to unify all these regulations according to practical needs and to reserve to public registry-offices the right of hiring operatives for and from abroad (already carried out in § 8 of the law on emigration). In addition, it abolishes all private agencies carried on for the purpose of gain as is required by clauses I and II of the Washington recommendation relating to unemployment. This bill has not been passed by Parliament. However, as appears from what has been stated above, there is hardly anything to prevent the ratification of the convention concerned. The Czechoslovak laws on subsidies for the unemployed and on contributions by the State towards such subsidies (details are given in the article on unemployment) fully carry out the requirement of reciprocity towards aliens, as contained in the clauses of the 3rd convention relating to unemployment.

3. Convention on the Protection of Women

before and after Child-Birth. This convention prescribes the prohibition of the employment of women in industrial, transport and commercial enterprises for *6 weeks after delivery*, and their freedom to leave work *6 weeks before delivery*. It recommends that during all this time their subsistence be assured by means of public funds or through the medium of insurances, and that they be entitled, free of charge, to medical and obstetrical aid. During the 12 weeks, or during a longer period, which can be *fixed by national legislation* in the case of protracted indisposition, *they cannot be given notice*, i. e. their employer is to grant them an unremunerated leave of absence. Women who nurse their children are in addition entitled to 2 half hour pauses to be granted for that purpose during working hours.

Czechoslovak legislation, on the one hand, goes beyond the recommendations of this international convention, but in other respects it does not go as far as they do. Its sickness funds offer not only to all female employees (including agricultural employees, in which respect Czechoslovakia fulfils the recommendation of the 3rd International Labour Conference), but also to her family dependents for the whole length of the critical period and, in case of a protracted invalidity, even for a longer term, medical and

obstetrical assistance with the necessary medicines besides the subsidies to which the insured worker is entitled during her illness. Women in child-bed are also allowed financial help, equivalent to the sickness subsidy, for 6 weeks before and 6 weeks after delivery, unless in paid employment during that time. Women in child-bed nursing their children are in receipt — irrespective of help drawn in the form of sickness subsidies and special aids granted for lying-in — of an allowance (a nursing premium) equivalent to half the sickness subsidy for a term of 12 weeks after delivery. In some cases these benefits are extended over 26 weeks and are applied even to others than wives.

Czechoslovak legislation, however, does not go so far as the Convention in that it does not preclude the possibility of giving notice to women in child-bed. It also omits to secure for female workers nursing their children pauses additional to the regulation pauses after every 5 hours of work. As soon as Czechoslovak legislation has protected mother-workers, during the critical period, against receiving notice, it will be in a position to ratify the convention. The Government submitted to Parliament appropriate modifications of the law in a bill supplementing the law on the 8 hours' day (parliamentary papers

N° 2.060, 1921); since, however, this bill did not find favour with Parliament as being a mere supplement to the 8 hours' law it was withdrawn by the Government, which is about to present a new bill forbidding employers to give notice to female workers during the period before and after delivery.

4. *Convention on night work of women.* The Convention proposes on behalf of women employed in industrial enterprises *night rest* of 11 hours including the hours between 10 p. m. and 5 a. m., with the exceptions stated in clauses 3 and 4 of the Convention.

As Czechoslovak legislation is considerably in advance of this convention, Czechoslovakia ratified it as early as 1921. § 9 of the Czechoslovak law lays down the principle that night work from 10 p. m. to 5 a. m. is inadmissible for women employed in any sort of paid occupation, even apart from industrial work. This resolution, combined with the law on the eight hours' working day assures in every case an uninterrupted night rest of at least 11 hours. By special decrees night work of women above 18 years of age is admitted between the hours of 10 p. m. and 5 a. m., in exceptional cases and for limited periods, e. g. during the working season in canned fruit factories, in concerns for drying fruit and vegetables, and perman-

ently in farm-work, wine and fruit growing establishments, in tending cattle, in employments connected with the arrangement and preparation of agricultural products and their conveyance to the market, in so far as this work cannot be performed during the day-time, in dairies, hotels and kitchens connected with catering enterprises, in railway booking offices, in telephone and telegraphic services, in newspaper offices, theatres, places of public amusement and in hospitals.

The facts quoted above show that Czechoslovakia likewise fulfils the recommendation referring to female work in agriculture, as adopted by the 3rd International Labour Conference at Geneva. This recommendation requires that female agricultural workers be granted a night rest of at least 9 consecutive hours. (As for farm-servantry, § 12 of the law on the 8 hours' working day fully meets the requirements).

5. *Convention on the minimum age of children in industrial work.* The convention states in clause 2 that children under 14 years of age are not to be employed in industrial enterprises, be they public or private, with the exception of such as employ exclusively members of the same family.

§ 10 of the Czechoslovak law on the 8 hours' working day decrees on that subject that enterprises run on factory lines are not allowed to em-

ploy children for gain, who are still subject to their compulsory attendance at school and under 14 years of age.

As Czechoslovak industrial inspectors and the competent school authorities as well as commissions instituted for the protection of children strictly insist on the observance of this legal ruling, both the legislation and the practice of Czechoslovakia empowered it to ratify this convention, which it did in 1921.

6. *Convention on night work of the young in industry.* The convention proposes the prohibition of the employment of children under 18 years in industrial enterprises during night-time (i. e. during 11 consecutive hours including the time between 10 p. m. and 5 a. m.) except in certain specified cases.

§ 9 of the Czechoslovak law forbids the employment, in general, during those hours of women under 18 years of age, but it admits night work in the case of the male sex to workers over 16 years of age.

Should the stipulations of the convention be accepted it would be necessary to raise the age limit for those engaged in night work from 16 to 18 years, as was originally intended in the bill mentioned under 3. in respect of the law on the 8 hours' working day (parl. papers N° 2060, 1921).

Yet, since the bill was thrown out, it will be necessary to bring the age limit into conformity with the requirements of the international conventions* by a special law.

Thus it appears from the foregoing survey that of the 6 conventions adopted by the first International Labour Conference, Czechoslovakia has ratified 3, i. e. the important convention on the 8 hours' working day, the agreement relating to female night work and that fixing the minimum age of children employed in industrial work.

As for the remaining three conventions referring to unemployment, to the protection of women before and after childbirth and to the night work of the young, Czechoslovak legislation may be said to be satisfactory, and it will need only small corrections and supplements in order to make possible the ratification also of the other conventions, the more so as the respective bills were submitted to Parliament in 1920 (parl. papers N° 1148 of the Lower Chamber). This done, Czechoslovakia will have carried out and ratified the whole programme of the important Washington Conference. From what has been said it is easy

* The Third International Labour Conference adopted a recommendation to forbid agricultural work of children under 14; it is needless to say that such interdiction is stipulated both by Czechoslovak legislation and practice.

to gather the underlying ideas of the tradition that has been evolving in Czechoslovakia from its beginning: it desires in full earnest to ratify the international agreements concerning social policy, but *it proceeds to their ratification only when its legislation has been brought into accordance with them.*

*The 2nd International Labour
Conference,*

sitting at Genoa in 1920, deliberated on questions of the protection of sailors and approved the following three conventions:

1. *Agreement on the minimum age of children employed in navigation*, which forbids the employment of children under 14 years of age on sea-going ships.

This agreement is fully met by § 10 of the Czechoslovak law on the eight hours' working day, which prohibits any kind of work for children under that age, and so applies also to navigation.

2. *The Convention on the procuring of work for seamen*, which states that this function is to be reserved exclusively for public agencies.

On the whole it may be said that Czechoslovakia comes up to the standard set by this convention, since, as it is an inland State, the procuring

of work on sea-going boats falls under the head of procuring work abroad, a function that according to the regulations on the engagement of men for work abroad, as contained in the law on emigration (§ 8), is reserved to public registry offices, and is also subject to the control exercised by public bodies in the matter of passports.

3. *Convention on the indemnification of wrecked sailors.* This case does not arise for consideration by the Czechoslovak legislation, as Czechoslovakia is an inland country.

Czechoslovakia has been summoned to ratify Conventions 1. and 2., which are in accordance with its legislation and practice. In its answer it declared that, of the Genoa resolutions, the only recommendation affecting it is that relating to the limitation of working hours in inland navigation enterprises and that it fully complies with this recommendation, since its law on working hours bears upon the matter. As to the conventions agreed upon at Genoa, it added that although its legislation does them formal justice or, at the least, does not contradict them, it refrains from being among the first to ratify them, as such ratification would impose no obligation in view of the fact that Czechoslovakia is an inland State. Yet it intends, as soon as the States affected have ratified the conventions, to do so by way of manifesting its

desire for international solidarity. Quite different was the behaviour of other inland States, which were glad to appear as vanguards in the matter of conventions that do not concern them. By so doing we desire that *our ratifications shall be not only read, but also reflected upon.*

The 3rd International Labour Conference,

sitting in 1921 at Geneva gave most of its attention to agricultural questions and adopted the following 7 conventions :

1. *An agreement concerning the age at which children may be admitted to farm-work.* Clause 1 of the agreement lays down that it be forbidden to employ children under 14 years of age in agricultural enterprises during school-hours, no discrimination being made between children working for payment and children belonging to the employer's family. This resolution consequently permits the employment of children under 14 years of age in farm-work both before and after school-hours and does not stipulate the maximum length of a day's work for children. On the other hand, certain restrictions are contained in the second part of the said clause, in as much as it forbids any work that might prove detrimental to the

children's attentiveness at school. It is therefore inadmissible to impose on children, either before or after school-hours, any work likely to exhaust their physical vigour and, by causing weariness, to distract their attention at school.

Clause 2, taking into consideration the customs existing in different countries, gives the respective Governments full liberty to fix the school-hours, in the interest of practical training, so as to facilitate the employment of children under 14 years at lighter tasks in harvest-time. Thus it is permissible to fix school-vacations to coincide with the hay-making, harvest, vintage or such like seasons. At the same time the total compulsory attendance must not fall below 8 months.

Czechoslovak legislation not only meets this agreement, but is, in several respects, in advance of it.

§ 10 of the law of Dec. 19th 1918 (Collected Laws N° 91) on the 8 hours' day states, as has already been pointed out, that it is illegal to employ in enterprises enumerated in § 1 of that law (agricultural enterprises being among them) *children still subject to compulsory attendance at school and under 14 years of age*. Further particulars concerning the employment in agricultural work of children under 14 years of age and especially concerning the work of a

farmer's own children or of others living in his household are contained in the law on children's work of July 17th 1919 (Collected Laws N° 420).

§ 4 of the said law on children's work, by ruling that the employment of children is permissible only in so far as it does not interfere with compulsory attendance at school, not only meets the first part of clause 1 of the agreement, but goes even further, in that it concedes the employment of children with the proviso that the work must not be injurious to their health, their physical and mental development or their morality. In farm-work it is forbidden, according to clause 2 of § 5 of the said law, to employ children under 10 years of age, while to those between ten and twelve years only lighter tasks may be given.

The requirement of the second part of clause 1 of the proposed agreement is met by § 5 of our law on children's work, according to which it is unlawful to employ children in agriculture on school-days for more than 2 hours, it being at the same time illegal to do so during the 2 hours directly preceding lessons. After lessons a one hour's respite is to be granted. This regulation may certainly be held to be in no way prejudicial to their attention at school.

Our injunctions are in advance of the proposed

agreement also in the other respect that § 5 of the said law restricts the working time of children also on school-holidays, admitting in farm-work no more than 6 hours and prohibiting the employment of children on Sundays and church-holidays.

Clause II of the agreement concedes reliefs in the attendance at school for the purpose of lighter work in harvest-time, provided that attendance does not fall below 8 months. Czechoslovak legislation, on the contrary, allows of no shortening of the time assigned to attendance at school, as appears from § 11 of the law of July 13th 1922 N° 226 Collected Laws, so that any concessions made on that point by the agreement are contrary to the Czechoslovak law. Since our law is ahead of the convention, the latter was ratified by us.

2. *Agreement on the right of forming associations and assemblies.* This agreement guarantees on these two points to all persons occupied in farm-work the same rights as to industrial operatives, and orders that all laws and decrees restricting these rights in the case of agricultural workers be annulled.

This identity of the right of union and meeting for industrial and agricultural hands is, in Czechoslovakia, guaranteed by the constitutional chart, which in § 114 says:

1. The right of association for protection and

support of labour and economic conditions is guaranteed.

2. All acts of individuals or associations are forbidden which are undertaken for the express purpose of hindering the exercise of this right.

We have therefore ratified this convention too.

3. *Agreement relating to weekly rest in industrial enterprises.* The introduction of this rest is a direct consequence of and a necessary supplement to the agreement on the 8 hours' day and the 48 hours' week adopted at the 1st International Conference of Labour at Washington.

This agreement requires that, with certain exceptions, every worker of an industrial establishment be allowed, in the course of every seven days, an uninterrupted rest of *at least 24 hours*. This rest is to be granted, as far as possible, on a church holiday, in conformity with the usages of the country and whenever possible it is to be granted simultaneously to all the employees of the enterprise.

Our regulations are far in advance, since § 4 N° 1 of the law of Dec. 19, 1918 (N° 91 of the Collected Laws and Decrees) on the 8 hours' day lays down a *weekly rest of 32 hours*. § 5 N° 1 of the same law stipulates, besides, that the said pause is to begin for women in factories no later than at 2 p. m. on Saturdays.

With regard to the other requirement (simultaneous rest to all the employees of an establishment), there exists a provision of the 2nd clause of the law of January 16, 1895 N° 21 (Imperial Code), modified by the law of July 18, 1905, N° 125 (Imp. Code) ruling that the Sunday rest be given, with the exception of specified cases simultaneously to all the employees of an establishments.

The third requirement of clause 2 concerning the granting of rest on a church-holiday according to the customs of each country is met by § 4 No 2 of the law on the 8 hours' day, wherein it is stipulated that, in establishments whose work allows of interruption without any inconvenience, the pause has to occur, as a rule, on Sundays; it is met also by another provision of clause 1 of the law on Sunday rest, wherein it is laid down that on Sundays there shall be no industrial work.

This convention has been ratified by Czechoslovakia.

The same requirements were adopted in the form of recommendations concerning the weekly rest in commercial enterprises. Since our above-mentioned regulations refer likewise to such enterprises, we also carry out this recommendation.

4. *Agreement on the use of ceruse in house-painting.* This agreement forbids the use of ceruse, lead-sulphide and of all white colours containing more than 2⁰/₀ of lead for all sorts of house-painting, whitewashing and varnishing. For all cases in which any of these substances is admissible, the agreement lays down a series of protective measures, such as the prohibition of the employment of women and youthful workers under 18 years for such kinds of work.

Except for a few particulars, this agreement was met by the Austrian decree of April 15, 1908, No 81 (Imperial Code), which however is inoperative in Slovakia and Carpathian Ruthenia since these latter used to form a Hungarian province. That explains why this decree, supplemented by further protective regulations, was, under the form of a bill valid for the whole Republic, submitted to Parliament by the Government (Parl. Papers, N^o 4.215 of the year 1923) and has already been voted by the Lower Chamber.*

In the meantime Czechoslovakia has ratified also this agreement.

5. Proposal of Agreement on Indemnifications

* The respective law of June 12, 1924, No 157 Collected Laws and Decrees, has meanwhile been promulgated in part 70 of the Collected Laws and Decrees, published on June 28, 1924.

in Agricultural Labour. This has not yet been ratified by Czechoslovakia as our legislation meets it only in part, and the agreement requires accident insurance to be extended to *all paid workers* in agriculture.

In Czechoslovakia this insurance covers all industrial employees (of the administrative staff only those employed in the factory), whereas no provision is made for workers in small concerns employing less than 20 persons and using no machines driven by mechanical means. In farming and timber enterprises this insurance is applicable only to workers and administration officials exposed to perils incident on work involving the use machinery.

In order to meet this convention, we should have to extend accident insurance to all agricultural employees.

The 6th and 7th Conferences have further adopted *an agreement on the minimum age of children employed as stokers on sea-going vessels and on the compulsory medical examination of children and young people employed on sea-going ships.* We have abstained from ratifying these two conventions for the same reasons that we indicated, when discussing the conventions adopted by the 2nd International Labour Conference held at Genoa in 1922.

The 4th and 5th International Conferences of Labour held at Geneva in 1922 and 1923 only adopted recommendations relating to the statistics of emigration, immigration and the inspection of labour. We have drawn up statistics in regard to emigration and immigration, and since 1923, we have regularly supplied the International Labour Bureau with the necessary statistical data, as may be gathered from the international surveys published in the "Revue Internationale du Travail". As regards labour inspection, the principal points are met by our system of trade inspection, while in some other particulars the supplementary law which is being prepared, will partly meet it and partly go beyond it.*

A general view of the relation of our legislation to the conventions as yet adopted by international conferences may be summed up thus :

1. The conference have till now voted 16 agreements, but as 6 relate to sailors' protection, only 10 bear upon our inland State.

2. Of these 10 we have ratified 7, which are : the Washington agreement on the 8 hours' day

* The international recommendations concerning the general principles of labour inspection have been exhaustively treated in relation to our legislation by M. Pokorný, a trade inspector, in N° 1 of the 5th annual volume of "Sociální Revue".

in industry, the agreements on women's night work in industry, on children's work in agriculture, on the right of union and meeting of agricultural labourers, on using white paint in varnishing and on weekly rest in industry. All these conventions are fully met by Czechoslovak legislation, which in many provisions even goes beyond them.

We have no less fulfilled the recommendation by which the Washington Conference summoned the States to adhere, should they not already have done so, to the prohibition to use white phosphorus in the manufacture of matches. This adhesion had taken place on the part of Austria, but not on that of Hungary, so that without our ratification this convention would not have been obligatory for Slovakia and Carpathian Ruthenia.

3. We have as yet not ratified the conventions on unemployment, on the protection of women before and after child birth, on night work in the case of youthful workers and on accident indemnifications of agricultural labourers, though we may declare that these conventions are in no way in advance of our legislation, since, as has already been pointed out, they merely supplement or improve laws already valid in our country. We moreover hope to be able soon to ratify the first three of the said agreements.

From all this we conclude :

a) that in regard to ratifications, we in Czechoslovakia proceed with the utmost conscientiousness and assume international obligations only when our national legislation has fully met the requirements of the international convention.

b) that a comparison with international agreements bears witness to the highly progressive spirit of the social legislation of Czechoslovakia.

c) that we are willing, by adhering to the agreements, to help as far as possible to translate those international aspirations into the living reality of international obligations.

We view the International Organisation of Labour in the light of a necessary and useful institution which will always be able to rely on Czechoslovak cooperation in the fulfilment of its aims.

THE EMPLOYEES' UNION MOVEMENT IN CZECHOSLOVAKIA

By J. BÍLÝ.

The employees' union movement in Czechoslovakia has had as yet, owing to the short existence of the State, neither the time nor the opportunity to consolidate itself into a body of closely linked organizations. Therefore it still suffers from a lack of homogeneity, due not so much to differences of opinion, as to differences in organization and in nationalistic and political formalities. For instance, the setting up of Czechoslovakia as an independent State has resulted in the organizations of which the Czechoslovak Employees' Unions consist. The latter are represented in the Amsterdam International Union, while the German organizations, formed after the War from the remnants of the old Austrian Employees' Unions, which formerly also belonged to the International body, are not represented there now. Then the joining of Slovakia to the historic countries (Bohemia, Moravia and Silesia) caused a fast growth of Christian-Socialist organizations, while the erection of the new State speeded up

the birth and regrouping of state employees' organizations. Some of the Czechoslovak employees' unions have, naturally, no old traditions on which to build; nor can it be said that the present grouping of the unions is final. This is shown partly by the negotiations going on at present between the Czechoslovak Union and the German Union at Reichenberg as to the arrangement of the form of organization, and partly by the close cooperation that exists between these bodies and the organizations concentrated in the Czechoslovak Labour Party, which is the second strongest body of the Czechoslovak employees not yet represented in the International Union.

The condition of the Employees' Union movement in the Czechoslovak Republic is best shown by the table given below, which is based on the official investigation made at the end of 1922 and gives the latest official data on Czechoslovak labour organizations. The results of this investigation were published in the "Reports of the State Statistical Bureau", vol. V/1924, N° 3,5 and the following summary is made from them:

Name	Number of Unions at the end of 1922	Number of Members	Proportion of Members of the Central Organizations to the total number of the Organized Members	Number of Union Journals
1. Czechoslovak Trade Unions*	53	404,984	23·84	61
2. Union of Czechoslovak Workers	59	287,431	16·92	42
3. General Commission of Czechoslovak Christian Socialist Workers	20	113,426	6·68	6
4. Trade Unions Central Organizations (Officials' and Employees' Organizations)	65	108,461	6·39	23
5. International Labour Union	10	89,941	5·29	7
6. Central Union of Public Official with University Education, Professors and Judges	20	10,241	0·60	8
7. National Association of Labour Organizations*	15	2,794	0·16	1
8. Czechoslovak Employees' Associations without Central Organizations	116	290,385	17·10	66
Total for the Czechoslovak Unions	354	1,307,663	6·98	214

* According to an additional correction in the "Reports of the State Statistical Bureau" the National Association

Name	Number of Unions at the end of 1922	Number of Member	Proportion of Members of the Central Organizations to the total number of the Organized Members	Number of Union Journals
9. German Trade Union	24	291.269	17.15	24
10. State Union of the German Workers	22	43.112	2.54	11
11. Union of the Christian Workers	13	12.620	0.74	4
12. Union of the German State Employees Associations	21	12.336	0.73	14
13. German Employees Associations without Central Organizations	27	31.648	1.86	6
Total for the German Unions	107	390.985	3.02	59
Total for the whole Republic	465	1,698.648	100.00	273

At the end of 1922 there were in the Czechoslovak Republic 11 central organizations of employees' associations. Of these 7 were Czechoslovak and 4 German. Round these central or-

comprised 41 organizations with 17,080 members, so that their proportion was 1.00. This correction is taken into consideration in the following figures:

ganizations were concentrated 348 unions, 268 of them Czechoslovak and 80 German. Without a central organisation were 116 Czechoslovak unions and 27 German, or a total of 143. Thus there were, altogether, 491 unions.

The general development of the social and economic conditions of the employees, in so far as it is regulated by state intervention, has been influenced chiefly by the following four central organizations: the Czechoslovak Trade Unions, the Union of Czechoslovak Workers, the German Trade Union and recently also the General Commission of the Christian-Socialist Workers. All these central organizations are either very strong numerically or else have a special political influence in the legislative bodies. The interests of the organized Czechoslovak employees are represented in the legislative bodies largely by Social-Democrat deputies. The Union of Czechoslovak Workers is in close relationship to the political party of the Czechoslovak Socialists; the German Trade Union has the support of German Social-Democracy and the General Commission of Christian-Socialist Workers is backed by the deputies of the Christian-Socialist Party. The central organization indicated by Fig. 4 (Officials' and Employees' Associations) has not as yet been able to obtain any influence despite its

comparatively high numerical strength, because it consists mainly of state employees. The International Labour Union (Fig. 5) is represented in the Communist Workers' International, but its members are largely the former members of unions associated in the Czechoslovak Trade Unions. This International Labour Union accepts as members wage-earners of all professions, but as this policy has resulted in many quarrels amongst the members it is now considered impracticable and the Union is not expected to have a long-continued existence.

The total number of the organized employees was 1,712,934. Of these the Czechoslovak central organisations claimed 1,031,564, and the German 359,337. In bodies not attached to any of the central organisations the membership was 322,033, i. e. 18·96% of the total, including 290,385 Czechoslovak (17·10%) and 31,648 German members (1·86%).

The year 1922 shows a considerable drop in the membership amounting to 292,561, a decrease of about 15% as compared with 1921. The reason must be sought mainly in the economic situation of that year and the resulting temporary unemployment.

If we divide the unions and similar trade societies into workers' organisations as distinct from

those of officials (state employees) the condition for the whole Republic appears as follows:

123 Czechoslovak workers' unions had a total membership of 766,537, and 34 German workers' unions included 253,963 members. There were 235 Czechoslovak officials' (state employees) unions with 541,126 members, while the German unions of the same category had a membership of 137,022 in 73 bodies.

The Czechoslovak workers' unions averaged, in 1922, 6,232 members (8,627 in 1921); the German, 7,470 (against 9,628 in 1921). The Czechoslovak state-employees' unions averaged in 1922 2,303 members (2,621 in 1921), the German, 1,877 (1,974 in 1921), and while the membership of all the workers' unions decreased by 291,357, i. e. 22·2% as against the year 1921, the number of members in the state-employees' unions increased by 13,082, i. e. 2%.

At the end of 1922 there were published in the Czechoslovak Republic 273 *Union periodicals* with a total circulation of 1,648,492 copies. 22 were weeklies with 422,638 copies; 105 came out once in two weeks or twice a month, with 701,196 copies; 107 were monthlies with 351,340 copies, and 39 journals with a total circulation of 171,818 copies were issued irregularly.

We must finally make a brief reference to the

unions of the intellectual workers (state-employees) in the Czechoslovak Republic as they existed on December 1922 and came within the scope of the central organizations or remained outside them.

Name of the Central Organization	Unions	Number of the Members	Papers
1. Czechoslovak Trade Unions	19	108.649	20
2. Union of Czechoslovak Workers	25	121.848	18
3. General Commission of the Christian Socialist Workmen	3	2.605	2
4. Trade Unions Central Or- ganizations	65	108.461	23
5. Central Union of Public Officials with University Education, Professors and Judges	20	10.241	8
6. National Association of La- bour Organizations	3	792	—
7. Czechoslovak Employees' As- sociations without Central Organizations	100	188.530	54
Total for the Czecho- slovak Unions	235	541.126	125

Name of the Central Organization	Unions	Number of the Members	Papers
8. German Trade Union . . .	9	68.317	7
9. State Union of the German Workers	19	36.743	9
10. Union of the Christian Workers	2	632	1
11. Union of the German State- Employees' Associations . .	21	12.336	14
12. German Employees' Associa- tions without Central Or- ganizations	22	18.994	6
Total of the German Unions	73	137.022	37
Organizations of the In- tellectuals (State Em- ployees) in the Czecho- slovak Republic . . .	108	678.148	162

THE SOCIAL INSTITUTE OF THE CZECHOSLOVAK REPUBLIC.

By AUG. ŽALUD.

The Social Institute of the Czechoslovak Republic was founded in the year 1920 when the first Minister of Social Welfare, Dr. Lev Winter, on April 6th approved its statutes which were drawn up after detailed deliberations by a special preparatory committee consisting of Dr. Eduard Beneš, Dr. K. Engliš, Dr. J. Gruber, Dr. L. Haškovec, Dr. J. Lukáš, Dr. A. Masaryk, Dr. J. Píček, J. Soušek, S. Špaček, C. E., Dr. E. Štern, R. Tayerle, Dr. R. Teltšik, J. Tomas and Dr. A. Tůma. The Social Institute is therefore a relatively young institution in Czech life and has had to cut out its own path. In spite of this, however, the Social Institute has not been without some traditions. The idea of establishing an institute of this kind was already conceived more than twenty years ago when the workers with their class-conscious organisations began to win political power and arouse the attention of the public. In 1902 at the time of the Labour Exhibition the idea was spread of founding a social museum, and in the years preceding the War this project was

again and again revived by a number of social and political workers (Dr. G. Čadek, Jos. Tomas, M. Hájek and others). Although it was a social museum which was discussed and written about, its propagators always had in mind an educational institute and not merely a museum, i. e. a collection of exhibits systematically arranged as an aid to study. However the Czech nation was at that period subjected to the power of the Habsburgs and could not count on State assistance to satisfy its cultural needs. To a considerable degree it had to depend on the self-help, national feeling and generosity of the people. Yet so many urgent demands were made on this spirit of self-sacrifice that not everything could be achieved even with the greatest efforts and the truly exemplary self-denial of the masses of the Czech nation. It is sufficient to mention in this connexion, for instance, that in those days public subscriptions had to be made for the construction of the National Theatre, and the founding and maintenance of the National Museum, the Czechoslovak Ethnographical Museum, the Industrial Museum (Náprstkovo), etc. as well as the maintenance of a very great number of elementary and secondary schools; indeed in this way the founding of a second university in Bohemia was contemplated. Thus by means of self-help

there arose also the forerunner of the Social Institute, although as far as the financial resources were concerned it was a very modest student enterprise, the so-called sociological section, which under the direction of Dr. Eduard Beneš, at that time a lecturer of the Czech University of Prague, and Dr. Alice Masaryk, was intended partly to act as a sociological seminar (not possessed at that period by the Czech University) and partly to create a centre from which in time might grow a Czech sociological society. That was in the last years before the War. The War interrupted the promising initial activity of the sociological section, but it did not kill the idea of establishing an institute for the study and propagation of the social sciences. As soon as conditions allowed of it, the idea again manifested itself and this time it materialised. Amongst those who propagated the conception of founding an independent social institute we must mention Dr. E. Štern who worked untiringly, especially after the coup d'état of October 28, 1918; he found in Dr. L. Winter, the Minister of Social Welfare, a splendid supporter and thus he was able to bring the question of the Social Institute from the field of newspaper propaganda on to the firm ground of achievement. It was Dr. Štern who wrote the first draft of the programme of the Social Institute, including

a sketch of its activity and working resources; this draft programme was printed in the first number of the "Sociální Revue", the official journal of the Ministry of Social Welfare.

The statutes which are today the basis of the activity of the Social Institute correspond, on the whole, to this draft; and it is the Social Institute which has to organise the scientific work of Czechoslovakia in the sphere of the social sciences, especially that of social policy. The statutes lay upon the Social Institute the task of:

1. collecting material on social and political problems;
2. studying the social sciences, particularly social and political questions;
3. spreading information on the social sciences. The means whereby the Social Institute wishes to fulfil its task are:

1. a library and a reading-room containing technical books and journals;
2. a bibliography of literature of a sociological, social and political character;
3. filed records of social and political subjects and a social museum;
4. researches in social and political subjects;
5. members' working committees;
6. publication of the Institute journal, technical works, pamphlets, etc. and exhibitions;
7. organisation of public competitions and the awarding of prizes;
8. study excursions and travels, and contact with foreign social institutes and specialists;
9. the giving of advice, the pro-

vision of stimulus and information and the organising of conferences for the benefit of social and political workers, corporations, and public authorities. Thus the Social Institute has the duty of collecting material for the study of the social sciences and arranging it as completely as possible for the use of students, of serving as a centre for social and political study circles in the Czechoslovak Republic with a view to the co-ordination of effort, of exerting its influence on the projects and activity of the Ministry of Social Welfare, and finally of educating the public generally in social and political matters. These specialised efforts for the promotion of social progress show the nature of the statutes of the Institute as well as of the whole of its past and present activities.

Owing to the short time of its existence and the insufficient initial resources with which it was endowed, the Social Institute has not been able, however, to accomplish all the tasks enumerated above. Even so, its members have at their disposal the comparatively rich library of technical works belonging to the Ministry of Social Welfare. This library already comprises as many as 7.100 books or some 13.000 volumes and contains a relatively rich section of social, sociological, socialistic and political literature, including very many classical works on socialism. Attached to

the library is a reading-room with 300 journals and reviews on sociological, social and political, subjects as well as on social welfare. In the reading-room of the Social Institute are exhibited several foreign technical journals which are not to be found elsewhere in Prague; they comprise 27 French periodicals, 15 English, 6 Italian, 2 Spanish, 1 Rumanian, 3 Serbian and Croat, 9 Polish, 50 German, and 1 Swedish, 1 Finnish and 1 Norwegian.

The task of the Record Department in the Social Institute is: 1. to receive and file materials gathered particularly by the legislative department when drawing up its plans in so far as they are a matter of public importance and permanent interest; 2. to receive and file documents which do not at the moment serve a practical need but will have their permanent intrinsic value and will be a useful source for the study of organisation and legislative work in the sphere of social welfare in the Czechoslovak Republic; 3. to receive all the records and appurtenances of the former central Austrian Government offices in Vienna and of the Hungarian Government offices in Budapest in so far as they refer to social welfare and the social movement in the territory now belonging to Czechoslovakia, and are handed over to the Czechoslovak Republic in

accordance with the provisions of the Peace Treaties, and do not pass, in consequence of their source, to the record departments of other central authorities, or become, owing to the inevitable fluidity of the agenda, a part of the record department of the Ministry of Social Welfare. Copies of documents of this nature which could not be obtained in the original from Vienna and Budapest either by the record department of the Social Institute or any other public collection in Prague, will be printed by the Social Institute at a cost which must be within the limits of the fund available for this purpose; 4. to collect or transcribe non-official material which is important and valuable for the modern history of social welfare and the social movement in the Czechoslovak Republic, particularly the protocols and reports of negotiations in important wage disputes, tariff and other agreements, enquiries on strikes and lock-outs, entries and important documents from the registration and record departments of workers' organizations and technical, cultural and political societies, written reports by private persons, voluntary organisation work in the sphere of social welfare, correspondence and photographs, etc. of meritorious and important individuals who are and have been active in social work and the Labour and social movement in the territory of

Czechoslovakia. Meanwhile the record department of the Social Institute has had to limit its work to the drawing up of a list of the writings referred to under item 3. Dr. Zd. V. Tobolka went for purposes of research to Vienna where he selected from the Austrian state archives a number of documents of the nature described above; these are consecutively borrowed and copies are made of them under the supervision of Dr. Tobolka. In addition to this, several factories which were founded in the first half of last century were requested to lend any documents in their possession throwing light upon the life and conditions of the workers; such material is generally in the form of factory regulations, handbooks, and the rules relating to the payment for hospital treatment in the factories. Finally the record department of the Social Institute has succeeded in obtaining letters and manuscripts, etc. written by persons who were prominent in the Czech Labour movement.

The provisional programme of the Social Museum has been already drawn up and the question of the location of the Museum is being well considered along with the plans for the construction of the building for the Ministry of Social Welfare. Several exhibits have already been secured for the Museum, but the majority of the articles

shown, however, will be charts and maps, and final arrangements cannot be made for them until they can be properly housed. The task of the Social Museum will be to exhibit everything which can illustrate the social history of the territory now forming the Czechoslovak Republic, particularly the history of the period starting at the end of the XVIII century when industrialism commenced in Bohemia; light will thus be thrown on the life of the working classes in all its aspects and the condition and development of social policy and administration in the Czechoslovak Republic. The Social Museum will comprise the following sections: 1. a demographic section illustrating the physical characteristics and type of the Czechoslovak town-workers, their distribution amongst the population of the State, the various peoples in the Czechoslovak Republic, the life-conditions of the population of the large towns and industrial centres in so far as they can be illustrated graphically and statistically (nationalities, density of population, numbers according to sex, death rate, state of morals: criminality, suicides, illegitimate births, etc.); 2. a section illustrating the life of the workers: a) from the point of view of material conditions: housing, work and wages, prevalence of home industries and factory employment, the self-help movement

(co-operative societies of consumers and producers); *b*) from the point of view of mental activities: in politics, technical work, education, self-improvement (abstinence from alcoholic liquors, gymnastics, sports); 3. a section illustrating the condition and development of public and especially State welfare work on behalf of the working classes: *a*) welfare work on behalf of all persons dependent on outside assistance and protection, particularly invalids and paupers; measures and institutions of public and private philanthropy, *b*) social insurance: optional (mutual benefit societies for factory workers), obligatory: sickness, accidents, old age, disability and unemployment, *c*) protection of workers, especially hygienic and safety measures during working hours, *d*) housing (workers' building and housing societies, workmens' dwellings which are the property of the factories, houses rented from the municipalities, bachelors' dwellings), *e*) other hygienic measures (against tuberculosis, etc.). As far as possible, all the sections will illustrate not only present-day conditions, but also the historical development of each particular branch of the subject. The means used will be partly actual objects and partly diagrams, maps, photographs, and model house interiors, etc.

The Social Institute has not limited itself mere-

ly to the preparation of useful aids to scientific work for the benefit of its members and the Czechoslovak public; it has also made direct contributions to the solution of several technical questions of a social and political nature, bringing them to the notice of wide circles of the population. This purpose has been served mainly by its organized lectures and debates in which detailed discussions have taken place on all the important social and political questions the solution of which was an acute problem in the Czechoslovak Republic (e. g., the questions of factory committees, support for the unemployed, the distribution of work, co-partnership and profit-sharing, nationalization, social insurance, factory inspection, family wages, statistics of labour, housing and other problems). There has probably been no important social and political question in the solution of which the Social Institute has not brought to bear the weight of opinion of the specialists associated with it.

In addition to this the Social Institute has through its lecturers provided the Czechoslovak public with regular information concerning the international organization of labour, all international labour conferences and the activities of the International Labour Bureau at Geneva. The first and second Conferences were dealt with

in lectures by the Departmental Head, Mr. J. Soušek, both at a public meeting and at a members' meeting. Dr. F. Hodáč read a paper on the creation of the International Labour Bureau and Mr. Soušek showed to what extent the Czechoslovak legislature conforms with the resolutions of the Washington Conference. Dr. E. Štern reported on the third, fourth and fifth International Labour Conferences, whilst Dr. R. Teltšík read a paper on the organization of the International Labour Bureau. The question of the inspection of work at the V International Conference was the subject of a lecture by Mr. J. Pokorný, C. E., whilst Dr. Gustav Reif and Dr. Jar. Jankó provided information on the International Conference of the Statisticians of Labour at Geneva in 1923. In addition to this, detailed information on all the Labour Conferences and the International Labour Bureau was published by the above-mentioned gentlemen in the official journals »Sociální Revue«, vol. I, p. 289 et seq. and p. 497 et seq., vol. III, p. 1 et seq., p. 14 et seq., p. 461 et seq., »Zahraníční Politika«, vol. I, p. 1690 et seq., and »Věstník státního úřadu statistického«, vol. V, p. 97 et seq. The Social Institute also took part in the preparation of material from Czechoslovakia for the International Labour Conferences; e. g., the reports by Professors M. Šambergr, M. D. and

T. Kašpárek on protection against certain infectious diseases, and the detailed particulars compiled for the International Labour Bureau by Dr. V. Procházka on the way in which the workers in the Czechoslovak Republic use their free time; Dr. J. Janko, a member of the Social Institute, likewise prepared for the International Labour Bureau a survey of the solution of the question of Czechoslovak workers' supplementary allowances for families.

In addition to the above, the Social Institute has had the occasion to give several reports both to foreign bodies (e. g., on the state of sociological studies in the Czechoslovak Republic; also a bibliography of Czechoslovak journals discussing questions of sociology, social policy and social welfare) and to home authorities e. g., to the State Statistical Office on its proposals for the compilation of accident statistics and those of compensation claims, etc.

It was by means of lectures that the Social Institute came into contact first of all with international bodies. Here particular mention should be made of the lectures in which it acquainted the interested circles in Prague with eminent foreign social and political workers, such as M. A. Thomas, the Director of the International Labour Bureau at Geneva, Prof. L. Varlez, Chairman of the In-

ternational Association for the Struggle against Unemployment, Prof. E. Mahaim, Prof. Ch. Gide of the Collège de France, Prof. S. Bauer, Secretary of the International Association for the Protection by Law of Employees Prof. R. Michels, Miss Julia Lathrop, Head of the Department for Child Welfare in the Ministry of Labour at Washington, Mr. Sherwood Eddy, and Prof. L. Heyda, Editor of »Soziale Praxis«.

In its publishing activity, which follows similar aims to its lecturing work, the Social Institute has issued, so far, 10 booklets dealing particularly with the question of the improvement and international unification of reports by industrial inspectors, with the results of the housing policy in the Czechoslovak Republic (these results are shown in the form of statistics), the law on domestic work, social insurance in Czechoslovakia, the Czechoslovak law on works' committees and the way it operates, collective agreements, etc. In addition to the above the Social Institute publishes its own journal "Sociální Revue" (six times yearly each number containing 35—40) which is edited by Mr. Aug. Žalud. Apart from independent studies on sociology, etc. and the regular reports, as mentioned above, of the international organisation of work, this review contains systematic information on the social and political legislation

of foreign States and finally on all the laws relating to social policy in the Czechoslovak Republic. The Social Institute presents prizes for literary work (e. g., the work on the collective agreements in the Czechoslovak Republic) and makes regularly every year special awards to those younger writers who have made technical contributions to the "Sociální Revue"; in this way it stimulates their interest in scientific work and helps to provide adequate payment for written work on technical subjects.

In its contact with international bodies the Social Institute maintains a regular interchange of journals with 76 different institutions of a similar character. In addition to this it has become the national branch organisation of the Czechoslovak Republic of the International Association for the Protection by Law of Employees, and of the International Association for the Struggle against Unemployment.

The representative of the Social Institute in the central committees of both these Associations is Dr. E. Štern. Further the Social Institute must gratefully acknowledge that it has had the honour to become the regional organiser for the International Congress of Social Policy, which in 1923 on the occasion of a general meeting of the International Association for the Pro-

tection by Law of Employees and with the consent of the Czechoslovak Government it invited to visit Prague.

Two thirds of the members of the Social Institute, whose numbers are limited to 90 ordinary members and 120 corresponding members, are nominated on the recommendation of the Institute authorities by the Minister of Social Welfare, whilst one third are elected by the said authorities. Those candidates are chosen for membership who have scientific training, either theoretical or practical. Many are employers who are at the same time social workers, and others are representatives of that class which in its own interests must strive after social progress, i. e. representatives of the working class and of employees in general.

Today there are 89 ordinary and 20 corresponding members in the Social Institute. The managing committee of this Institute is presided over by a chairman who is always nominated for a period of three years by the Minister of Social Welfare; the present chairman is Prof. J. Gruber, the other chief functionaries (elected) being the deputy-chairman, Deputy Dr. L. Winter, together with Dr. R. Štern and Mr. Aug. Žalud. The members of the managing committee are: Ministerial Councillor Dr. J. Brabec, Deputy

Ant. Čuřík, Prof. F. Hodač, Deputy R. Laube, Prof. J. Macek, Dr. Alice Masaryk, Prof. J. Rauberg, Mr. J. Soušek, Departmental Head, Ministerial Councillor Dr. J. Synáček, and the sectional chairman of the Institute : Prof. B. Foustka, Prof. Z. Haškovec, Senator F. Jirásek, Prof. E. Svoboda and Deputy R. Tayerle.

BIBLIOGRAPHY.

BIBLIOGRAPHY.

The bibliography gives only some of the more important works, either editions in book form of important politico-social laws of the Czechoslovak Republic or works of a technical character, and consequently it does not claim to be complete. More detailed bibliographical data, however, may generally be found in the works herein mentioned.

A. TEXTS OF THE POLITICO-SOCIAL LAWS.

The laws of the Czechoslovak Republic concerning social policy are published, as are all the other laws, in the authentic Czech version known as the "Sbírka zákonů a nařízení československé republiky" (Collected Laws and Decrees of the Czechoslovak Republic). The German translation of the laws is published in the "Sammlung der Gesetze und Verordnungen des Čechoslovakischen Staates". In addition to this the Czech texts of all the politico-social laws are published as they are issued in the "Sociální Revue", the periodical edited by the Ministry of Social Welfare, and their German translation is published in the "Amtblatt des Ministeriums für soziale Fürsorge". Further, the texts of the Czechoslovak politico-social laws were published in French in the "Série législative" of the International Labour Bureau in Geneva, as follows:

Loi du 12 décembre 1919 tendant à la réglementation des conditions de travail et de salaire dans le travail à domicile. — 1920. Tchéco-Slovaquie 1.

Loi du 17 juillet 1919 sur le Travail des enfants. — 1920. Tch. Sl. 2, Tch. Sl. (Erratum).

Loi du 25 février 1920 sur les Conseils d'entreprises et les Conseils de districts dans l'industrie minière. — 1920. Tch. Sl. 3-5.

Loi du 25 février 1920 relative à la participation des mineurs à l'administration des mines et à leur participation aux bénéfices nets. — 1920. Tch. Sl. 6.

Loi du 25 février 1920 sur les tribunaux d'arbitrage des mines. — 1920. Tch. Sl. 7.

Loi du 7 avril 1920 relative à la réglementation des relations internationales en matière d'assurances sociales. — 1920. Tch. Sl. 8.

Loi du 11 mars 1921 sur l'encouragement de la construction. — 1921. Tch. Sl. 1.

Loi du 1^{er} avril 1921 portant modification aux dispositions de l'article 1154b du Code civil. — 1921. Tch. Sl. 2.

Loi du 1^{er} juillet 1921, relative à l'institution d'un congé annuel payé pour les ouvriers engagés dans l'exploitation des gisements minéraux réservés. — 1921. Tch. Sl. 3.

Loi du 12 août 1921 sur les Comités d'entreprise. — 1921. Tch. Sl. 4.

Loi du 19 juillet 1921 relative au supplément d'Etat au secours de chômage. — 1921. Tch. Sl. 5.

Loi du 12 août 1921 interdisant la coercition et garantissant le droit de réunion. — 1921. Tch. Sl. 6.

Loi N° 71 du 15 février 1922, sur l'émigration. — 1922. Tch. Sl. 1.

Loi du 11 juillet 1922 relative à l'assurance par les caisses de secours des ouvriers mineurs. — 1922. Tch. Sl. 2

**BOOKS CONTAINING COMMENTS ON
DIFFERENT POLITICO-SOCIAL LAWS AND THE
COLLECTED LAWS,**

classified according to their subjects and inter-connection
with one another.

Collected Editions:

Sociálně politická ročenka Odborového sdružení československého. Upravil Rudolf Tayerle. V Praze 1923.

Handbuch des Arbeitsrechtes (Sammlung der das Arbeits- und Dienstverhältnis betreffenden gesetzlichen Bestimmungen. Von Dr. jur. Heinrich W. Lamberg. Gesetzausgaben Prager Archiv. IV.). Prag 1922.

Eight Hours' Working Day:

Zákon o osmihodinné době pracovní ze dne 19. prosince 1918. Vydal Dr. E. Štern. (Sbírka soc. spol. zákonů českoslov. republiky č. 1.) V Praze 1919.

Factory Councils and Committees:

Závodní výbory. Text zákona s vysvětlivkami. (Praktický průvodce sociálním zákonodárstvím. 1.) V Praze 1921.

Zákon o závodních výborech. Vydal JUDr. Jindřich Hatlák. (Průmyslová knihovna 1.) V Praze 1921.

Zákon o závodních výborech a prováděcí nařízení. Upravil Dr. Alois Chytil. (Sbírka zákonů československých 6.) Brno 1922.

Závodní výbory podle práva československého s přehledem judikatury rozhodčích komisí. Napsal JUDr. Alois Chytil. (Sbírka spisů právnických a národohospodářských. XIV.) V Brně 1922.

Dr. Frant. Polák, Závodní výbory. S textem zákona a jeho prováděcím nařízením. Praha 1922.

Das Gesetz über die Betriebs-Ausschüsse nebst der Durchführungsverordnung hrsgb. u. erl. von Dr. jur. Heinrich W. Lamberg. (Stiepels Gesetz-Sammlung des Tschecho-slovakischen Staates. 26.) Reichenberg 1922.

Das Gesetz über die Errichtung von Betriebsausschüssen und die Durchführungsordnung zu diesem Gesetz. Von Anton Schäfer. (Gesetze für Arbeiter und Angestellte mit Erläuterungen. H. 1.) Reichenberg 1922.

Führer durch das Gesetz über die Betriebsausschüsse. (Gesetz vom 12. August 1921. G. S. Slg. No. 330.) Mit Verordnung u. Kommentar. Reichenberg 1922.

Přehled rozhodnutí nejvyššího správního soudu ve věcech závodních výborů. S otiskem zákona z 12. srpna 1921, č. 330, o závodních výborech a vládního nařízení ze dne 29. prosince 1921, č. 2 ex 1922, kterým se provádí zákon o závodních výborech. Sestavil Dr. Josef Kotek. (Publikace Sociálního ústavu č. 8.) V Praze 1924.

Zákony a nařízení československé republiky o hornictví a uhelném hospodářství vydané po 28. říjnu 1918. Sestavil Dr. Josef Peters. (Hornická knihovna I.) V Praze 1921.

Gesetzgebung in Bergbauangelegenheiten. (Stiepels Gesetz-Sammlung des Tschechoslovakischen Staates. 23.)

Trade Inspection:

Státní péče o bezpečnost námezdní práce dle platných předpisů v Československu. Napsal a texty příslušných zákonitých předpisů opatřil Jakub Soušek. V Praze 1923.

Řád živnostenský ze dne 20. prosince 1859, č. 227 ř. z., doplněný živnostenskými novelami, k němu se vztahujícími zákony, normaliiemi a rozhodnutími úřadů, nálezy nejv. správního soudu a posudky obchodní a živnostens-

ské komory pražské. Díl I. Sebrali a uspoř. JUDr. Bohumil Štědrý a JUDr. Rudolf Buchtela. Praha 1923.

Die Gewerbe-Ordnung in der Fassung der Gewerbe-novelle vom Jahre 1907 nebst allen seither erfolgten Abänderungen, den wichtigsten Nebengesetzen und Verordnungen, einer Auswahl von Erkenntnissen des Verwaltungs-Gerichtshofes, sowie Erläuterungen von Dr. Robert Swoboda. (Stiepel's Gesetz-Sammlung des Tschechoslovakischen Staates. 27.) Reichenberg 1922.

Courts for Wage Disputes:

Soudy mzdové podle zákona o stavebním ruchu a řízení před nimi. (S texty příslušných zákonů.) Napsal JUDr. Bohdan Kopecký. Pisek 1921,

Emigration of Workers:

Smlouva mezi republikou československou a republikou francouzskou, týkající se přistěhovalectví a vystěhovalectví. — Convention entre la république française et la république tchécoslovaque, relative à l'émigration et à l'immigration.

Social Insurance:

Die Gesetze und Verordnungen der Tschechoslovakischen Republik betreffend die Unfallversicherung der Arbeiter. Hrsg. von Dr. Robert Marschner. (Gesetzesausgaben Prager Archiv. II. 2.) Prag 1922.

Úrazové pojišťování dělnictva. Sbirka příslušných předpisů, platných ve státě československém, vydaných od 28. prosince 1887 do 10. dubna 1919. Uspořádal T. Rebec. Praha 1920.

Sbirka ustanovení o úrazovém zaopatření zaměstnanců československých státních drah. Sestavil Dr. Jan Pospíšil. Praha 1920.

Sbírka zákonů a nařízení o pojištění dělníků pro případ úrazu v čsl. republice spolu se zákonnými ustanoveními o nemocenském pojištění na Slovensku a Podkarpatské Rusi. Sestavil Vl. Šmídek. Praha 1924. Státní nakladatelství.

Die Unfallversicherung der Arbeiter. Nach den in der Tschechoslovakischen Republik geltenden gesetzlichen Bestimmungen zusammengestellt von Dr. jur. Heinrich W. Lamberg. (Stiepels Gesetz-Sammlung des Tschechoslovakischen Staates. 25.) Reichenberg 1921.

Zákon o pojištění dělníků pro případ nemoci ve znění zákonů z r. 1888, 1917, 1919 a 1920, 2. vyd. doplněné pozn. Dr. Jos. Lukáš. (Sbírka sociálně politických zákonů československé republiky.) V Praze 1921.

Výklad k zákonu o nemocenském pojištění napsali Dr. Jan Pospíšil a Dr. Jindřich Tučný.

Gesetze und Verordnungen betreffend die Krankenversicherung der Arbeiter. Zusammengestellt u. erläutert von Dr. Jos. Lukáš u. Dr. Franz Janoščík. (Gesetze der Tschechoslovakischen Republik. XIII.) Brünn 1922.

Die Gesetze und Verordnungen der Tschechoslovakischen Republik betreffend die Krankenversicherung der Arbeiter. Hrsgb. von Dr. Robert Marschner. (Gesetz-Ausgaben Prager Archiv. II. 1.) Prag 1922.

Gesetze und Verordnungen betreffend die Krankenversicherung der Arbeiter. Zsgest. und erläutert von Julius Hübner. (Stiepels Gesetz-Sammlung des Tschechoslovakischen Staates. 29.) Reichenberg 1922.

Zákon o pensijním pojištění soukromých zaměstnanců. Vydal Dr. E. Hendrich. (Sbírka soc. pol. zákonů čsl. republiky. 5.) Praha 1920.

Das Pensionsversicherungs-Gesetz in der mit Gesetz vom 5. Februar 1920 hergestellten Fassung samt Erläute-

rungen von Dr. Heinz Post. (Prager Archiv für Gesetzgebung u. Rechtsprechung.) Prag 1920.

Das Pensions-Versicherungsgesetz . . . Von Dr. jur. Heinrich W. Lamberg. (Stiepels Gesetz-Sammlung des Tschechoslovakischen Staates. 28.) Reichenberg 1922.

Subsidies to Unemployed:

Předpisy o výplatě podpor v nezaměstnanosti, platné v republice československé . . . Sest. JUDr. J. Rosenkranz a JUC. F. S. Kulhánek. Praha 1923.

Housing and Building Laws:

Zákon o ochraně nájemníků a zákon o odkladu exekučního vyklizení místností. Vyd. a výkladem opatřili JUDr. Hynek Kubišta a JUDr. Jan Srb. V Praze 1923.

Zákony o podpoře stavebního ruchu. Výkladem opatřil JUDr. Hynek Kubišta. V Praze 1923.

Die Wohnungsgesetze samt der Judikatur des Obersten Verwaltungsgerichtes und der Zivilabteilung des Landesgerichtes in Prag. Zsgest. von Dr. Alexander Zeyer. Reichenberg 1923.

Laws on Grants to War Victims:

Příručka válečného poškozence československého. Soubor zákonů, nařízení a výnosů v péči o válečné poškozence se vzorci podání a žádosti. Upravil JUDr. Jan Svoboda. V Brně 1923.

Zákonitá péče o válečné a poválečné invalidy a pozůstalé. Sestavil a poznámkami opatřil J. K. Škala. V Karlově 1922.

Co-operative Movement:

Družstevní zákony československé. Sestavil Dr. L. F. Dvořák. (Kampelikova knihovna. III.) Praha 1924.

Genossenschaftsgesetz und sonstige Gesetze und Verordnungen über Erwerbs- und Wirtschaftsgenossenschaften samt Entscheidungen der Obersten Gerichte. Brünn 1923.

Land Reform:

Sbírka zákonů a nařízení o pozemkové reformě s dodatkem zákonů o obecním statku a vyvlastnění pozemků pro stavbu obytných nebo veřejných budov. Red. JUDr. Edvard Vondruška. Praha 1920—1921.

Die Bodengesetze. 2. Auflage. (Stiepels Gesetz-Sammlung des Tschechoslovakischen Staates. 7.)

TREATISES.

General:

Dr. K. Engliš, Sociální politika. (Duch a svět č. 20, II. vyd.) Praha 1921. F. Topič.

Labour Legislation:

Dr. Joseph Gruber, Le ministère de la Prévoyance Sociale et la Politique d'économie sociale dans la République Tchecoslovaque. Prague 1921. Ministère de la Prévoyance Sociale.

Dr. Lev Winter, Dělnické zákonodárství rakouské. (Česká politika, IV.) Praha 1911. J. Laichter.

Dr. Josef Pícek a Dr. Evžen Štern, Naše dělnické zákonodárství. Praha 1920. A. Svěcený.

Eugen Štern, La Législation ouvrière tchécoslovaque. Prague 1921. «Orbis».

Dr. E. Štern, Základy čsl. dělnického práva. (Politika, II.) Praha 1923, Čsl. Kompas.

Nationalisation,
Factory Councils and Committees:

Jindřich Fleischner, Socialisace v praxi. Příspěvek k diskusí o společenské technice socialismu. Praha 1920. A. Svěcený.

Dr. Evžen Štern, Socialisace dolů. Praha 1920. Státo-
vědecká společnost.

Zpráva o činnosti socialisačního výboru Uhelné rady
československé. Praha 1921. Ministerstvo veřejných prací.

Josef Beránek, Zřizování závodních výborů. Praha 1923.
Odborové sdružení československé.

Modráček František, Samospráva práce. Praha 1918.
A. Svěcený.

Josef Beránek, Les Résultats de l'Activité des Conseils
d'entreprises dans la République Tchécoslovaque. (L'Ave-
nir du Travail, I., 2-3.) Paris 1923.

Jindřich Fleischner, Závodní rady a jejich úkoly.
Plzeň 1922. »Omladina«.

Eight Hours' Working Day:

T. G. Masaryk, Osm hodin práce. — O boji hospo-
dářském a sociálním. II. vydání, knihovnička Času I.
Praha 1905.

Dr. Evžen Štern, Die Achtstündige Arbeitszeit in der
Tschechoslovakischen Republik. (Die Zukunft der Ar-
beit, I., 1.) Jena 1923.

La Loi de huit heures dans l'Agriculture en Tchéco-
slovaquie. Genève 1921. B. I. T.

J. Soušek, La journée de huit heures dans l'Agricul-
ture tchécoslovaque. Extrait du Bulletin Mensuel des
institutions économiques et sociales, XII., 5. Rome 1921.

Tariff and Collective Agreements:

Dr. K. Engliš, Tarifní smlouvy pracovní po stránce národohospodářské. Praha 1911. *Dr. R. Brož*.

G. Reif, Kolektivní smlouvy pracovní v republice čsl. za léta 1919—1922. Praha 1923. Zvl. ot. z Čsl. statist. věstníku, V., 3—6.

Dr. C. Čechrák, Mzdová soustava kolektivního vyjednávání ve světle ekonomické teorie. Praha 1924. Legeografie.

V. Dunder, A. Hampl, Kolektivní smlouvy pracovní. (Publikace Sociálního ústavu č. 9.) Praha 1924.

Cottage Industries:

Dr. Evžen Štern, Úprava pracovních poměrů domácích dělníků. (Publikace Sociálního ústavu č. 4.) Praha 1923.

Unemployment:

Josef Macek, Jak se dělá nezaměstnanost, drahota a bytová tíseň a proč se probrávají stávky. Praha 1923. A. Svěcený.

Social Insurance:

Dr. L. Winter, Sociální pojištění. (Politika, II.) Praha 1924. Čsl. Kompas.

Sociální pojištění v čsl. republice. Přednášky, které proslovili v Sociálním ústavě *Dr. L. Winter*, *Dr. J. Galas* a *Dr. E. Schoenbaum* s genetickým úvodem *Dra J. Brabce* a s otiskem původního znění návrhu osnovy s vyznačením změn, jež provedla vládní předloha. (Publikace Soc. ústavu č. 5.) Praha 1923.

Důvodová zpráva k vládní osnově zákona o sociálním pojištění č. t. posl. sněm. 4, 186. Praha 1923.

Gesetz vom ... betreffend die Versicherung der Arbeitnehmer für den Fall der Krankheit, der Invalidität und des Alters. — Motivenbericht zur Regierungsvorlage ... betreffend die Versicherung der Arbeitnehmer für den Fall der Krankheit, der Invalidität und des Alters. Brünn 1924. Reichsverband deutscher Krankenkassen.

Dr. L. Winter, O osnově zákona o sociálním pojištění v čsl. rep. Zpráva přednesená v povšechné debatě soc. pol. výboru posl. sněmovny. (Publikace Soc. ústavu č. 7.) Praha 1924.

Trade Inspection:

O zprávách o činnosti živnostenských inspektorů čsl. republiky. (Publikace Soc. ústavu č. 2.) Praha 1923.

Zpráva o úřední činnosti živn. inspektorů v roce ... Praha. Ministerstvo sociální péče. (Vydáváno ročně.)

Results of Czechoslovak Housing Policy:

O výsledcích zákona o stavebním ruchu v letech 1919—1921. Statistický přehled. (Publikace Soc. ústavu č. 3.) Praha 1923.

Cooperative Movement:

Coopération et Prévoyance sociale en Tchécoslovaquie. Praha 1924. »Orbis«.

Genossenschaftswesen und soziale Fürsorge in der Tschechoslovakei. Prag 1924. »Orbis«.

Land Reform:

Dr. Josef Macek, Znárodnění a zlidovění české půdy. Praha 1918. Ant. Svěcený.

František Modráček, Zabrání velkostatků a jejich osídlení. Praha 1919. Socialistické Listy.

František Modráček, Družstevní statek a pozemková reforma. Praha 1921. Socialistické Listy.

Protection of Children:

Dr. B. Foustka, Ochrana dětství a mládeži. (Česká Politika, V.) Praha 1913. Jan Laichter.

Dr. Antonín Tůma, Organizace zákonné i dobrovolné sociální péče na ochranu mládeže. Praha, Státní nakladatelství.

Dr. Antonín Tůma, Poměr státu k dobrovolné sociální péči o mládež. Brno 1923. Česká zemská péče o mládež.

International Labour Organisation:

Jacques Soušek, La Conférence du Travail et l'Etat tchécoslovaque. Prague 1919. Ministère de la Prévoyance sociale.

Josef Lukáš, Dispositions légales concernant l'hygiène industrielle et prophylaxie sociale. Praha 1923. Le ministère de la Prévoyance sociale.

Social Institute:

Sociální ústav čsl. republiky, jeho založení a činnost v prvním třiletí. (Publikace soc. ústavu č. 1.) Praha 1923.

CONTENTS:

Introduction.	
I. Dr. Joseph Gruber: The Progress and Tendencies of Czechoslovak Social Policy	7
II. Dr. Eugen Štern: Eight Hours' Working Day	27
III. Dr. Vl. Procházka: Workers' Leisure Time	39
IV. Joseph Beránek: Factory Councils and Committees	75
V. Dr. Jar. Janko: Unemployment in Czechoslovakia	100
VI. Dr. B. Mathesius: Unemployment of Brain Workers	119
VII. Dr. A. Boháč: Emigration from Czechoslovakia	131
VIII. Dr. L. Winter: Social Insurance	147
IX. Dr. E. Vondruška: Czechoslovak Land Reform	162
X. Dr. E. Štern: Czechoslovakia and the International Organisation of Labour	196
XI. J. Bílý: Employees' Unions	221
XII. Aug. Žalud: Social Institute of the Czechoslovak Republic	230
XIII. Bibliography	247

**POLITICAL PARTIES
IN CZECHOSLOVAKIA**

BY

JOSEF CHMELÁŘ



1926

“ORBIS” LIBRARY PRAGUE

POCHOVA 62

HISTORICAL SKETCH OF THE CZECHOSLOVAK POLITICAL PARTIES.

The political situation of Czechoslovakia appears to foreigners to be very complicated. In few European States does one meet with so many political parties and with such an apparently complicated combination of political views. Each one of the countries which form the Czechoslovak Republic has its own party peculiarities and distinctions. This is due in the first place to the fact that the historical lands, Bohemia, Moravia and Silesia, which were formerly under Austrian rule did not develop in the same way as Slovakia and Carpathian Ruthenia which were under Hungarian rule, and secondly that each one of these historical lands, which had its own legislative assembly, took part in the political life of the Empire as a whole, in addition to conducting the affairs of its own political life. The social and economical structure of the population of the historical lands has also, of course, an influence upon the political division into parties. Apart from these, each territorial unit has political as well as national minorities, and as regards the Jews, even racial-religious minorities. Considering that there are five territorial units in all, (Bohemia, Moravia, Silesia, Slovakia and Carpathian Ruthenia) and that in political life one has to reckon with the German, Magyar, Polish, Ruthenian and Jewish Mi-

norities, one can find a sufficient explanation for the reason of the many political parties in the Republic.

If we however try to probe deeper into the matter regarding the combination of political parties in Czechoslovakia, and endeavour to investigate and arrange the different parties according to their programmes, historical origins and developments, we find that the political divergencies in Czechoslovakia are not greater than in the majority of the other European States. Even though the class differences in Czechoslovakia appear to be greater than, for example, in the Western European States, this division into parties arranges itself according to the fundamental principles which are in every country the cause of the division of the populations into various political groups; this division only shows the distinctive features of the young political development of the Czechoslovak State in general, and of its individual constituent parts in particular. In other words, there are, also in Czechoslovakia, four main political groups.

First and foremost there is the *Liberal group* which was formed in the 19th century from the ever-increasing bourgeois elements after the abolition of feudalism, and which, at the beginning, bore the burden of the political and economical development, as was the case with the Liberal parties in all the young nations.

The second is the *Agrarian group* which, parti-

cularly in the agricultural states of Central Europe took over the functions of the Liberal group. In the industrial states, the Agrarian group united itself with the Liberal group for a short time, but eventually separated from it in order to pursue its own political aims independently. The more developing democracy brought about an increase in the number of citizens entitled to equal rights, the more the Agrarian party separated itself from the Liberal group.

The third is the *Socialist group* which firmly established itself wherever industry developed from cottage industries to mass production in factories and wherever great armies of workmen were created in the industrial centres.

The fourth and final group is the *Catholic Conservative group* which, on the one hand, is the consequence of a policy which the Roman Catholic Church adopted in view of the modern political development in all States, and which, on the other hand, is considered by some elements of the population to be a means of opposing rapid political development and progress.

Even though all these groups are not equally represented in the five territorial units of the Republic and in the respective minorities, and even though these groups have moved in different directions, this is not the consequence of the great differences in social and industrial conditions but of the differences in the political conditions in which each of the

five above-mentioned territorial units developed prior to the formation of the present Republic. These political differences are to be seen most clearly in the so-called "historical lands" (Bohemia, Moravia and Silesia), which during the existence of old Austria formed a unit, the population of which in the first half of the 19th century began to develop a considerable degree of national and political consciousness. It was at that time—when absolutism in the old Monarchy was abolished and a constitutional régime was introduced—that this national consciousness in political life originated, at least amongst the richer classes, and gradually took shape in political organisations. Up to the early nineties political rights were granted only to the aristocratic class which, with its large landed property element, formed one political group, while the wealthy citizen class in addition to the rich farming class formed another group. Representation in Parliament was granted only to large land-owners, the Chambers of Commerce, the possessors of feoffments in trust, the universities and the towns and villages. In 1843 a large land-owner had the same rights as 48 ordinary citizens or 8 farmers. According to its political programme, the first group represented feudalism and conservatism and was loyal to the Constitution and the State, but found no great support in the great masses of the people, whereas the second group represented the relatively progressive and democratic masses of the people, and for a long time represented the polit-

ical ideals of the Czech nation. Also in the Liberal citizen party, which was represented by the Nationalists (the Old Czechs) under the leadership of the famous Dr. Rieger, there arose a crisis and difficulties which, on the one hand, related to the conception of Liberalism in questions of politics and education, etc., and on the other hand, to the Liberal tactics employed by the radical and democratic "liberty-propagating group" of this party which was then under the leadership of Dr. K. Šlادkovský and Dr. J. Grégr. The crisis reached its zenith in 1874 with the formation of the National Liberty party (Young Czechs) represented by the younger, more radical and more politically elastic classes, and which succeeded in coming into power in 1891 and in taking over the leadership of Czech politics.

The Young Czech era, which lasted practically up till 1907, when the general franchise was introduced in Austria, was an era of *pan-national policy*. The bourgeoisie, together with the peasant class which found support in the growing industry and agriculture, led the whole nation by determining its political aims and methods. This leadership was made possible firstly, through the electoral regulations which gave political rights only to the richer classes and secondly, by the fact that the other classes were, at that time, unorganized and lacked political education. Only the socialist workmen were organized (after 1878, when the Social Democrat party was founded). But owing to the fact that the franchise gave

them no access to the legislative bodies, and the Marxist programme separated them too much from all the other classes of the Czech people, they were able to gain political influence only after the alteration of the Austrian electoral regulations which took place in 1896 through the formation of the so-called "5th General Curia", whereby the masses of the people were also represented in Parliament.

That year was, in general, an important landmark in the political division of the Czech nation. The peasant element of the Young Czechs party formed an independent *Agrarian Peasant party* under the leader of Stan. Kubr, as they realized that in the Liberal party, which was led by the middle class element and had the task of protecting the interests of the developing Czech industry and commerce of the middle and educated classes, insufficient attention was paid to the needs of the mass of the peasants who also had their special interests. The Young Czech party tried to keep the leadership and at least to retain a part of the peasant votes. It further tried to face the growing Social Democrat movement by forming a sub-group of National Socialists, and this group, under cover of its international Social Democrat views, was employed as a means of diverting from extreme Marxism those working-class elements that were of a national turn of mind; but in this way the interest of the National Liberty party could be served only for a time.

Under the leadership of V. Klofáč these National

Socialists became a separate party and were successful in getting hold of the smaller tradesmen, clerks and such like people, as well as a small part of the Czech working class. Instead of helping the Young Czechs they became competitors, and contrary to the wishes of the Young Czechs, occupied the right wing of the Socialists instead of the left wing of the Liberals.

The division into classes culminated in 1896 and 1897, and the ensuing differences of opinion were prepared by the Realist movement towards the beginning of the eighties, and later by the progressive movement under the leadership of Dr. Kaizl, Dr. Masaryk and Dr. Kramář. These gentlemen, with their broad-minded views and foreign education, opened up to Czech life new fields of activity in cultural, political and social questions. These conditions led to the overcoming of the all-national policy which prevailed in the era of the Young Czechs. This movement became the driving force in Czech life and grew stronger and stronger because of the criticisms of the Young Czechs. It pointed out new paths to the Liberals and also simplified the endeavours of the other parties—chiefly the Socialists. This movement resulted in the formation of the Radical Progressive party in 1897, and in the formation of the Constitutional Progressive party in 1899, and the People's party (Progressive party) in 1900. These new parties were only in their infancy and were merely a transition stage between the Liberal and

the two Socialist parties. They also became a part of these organisations, partly during the War and partly afterwards, and introduced to them new ideas.

In 1904, the division of the Czech people into political parties was completed by the formation of a *Christian Socialist party* which was formed after the pattern of the Austrian party and had, like it, the object of bringing Christian principles into operation in the legislation. By Christian principles we mean the ideology of the Roman Catholic Church. This Church succeeded in maintaining its influence during the time of the Young Czech era. It felt itself threatened, however, when the Radical and Progressive Socialist parties developed. Also the Christian Socialist party soon had fractional groups of its own, viz: a Conservative group (consisting of the nobility and high Church dignitaries and a democratic group with a larger proportion of the laity. In spite of this division, they formed a single Conservative-Catholic front up to the time of the War and even after it.

Before the introduction of the general franchise in 1907, the Czech people were divided into 4 political groups which developed a higher degree of political activity after 1907. Inside these 4 groups, sub-groups were of course formed, and crises arose in the search for methods of practical politics. Despite this fact, the original ideas of these 4 parties, which represented the interests of the chief classes of the Czech people, were not changed. These 4

groups finally influenced also the political life of the Czech nation in the independent Czechoslovak Republic after the War.

In *Moravia* and *Silesia* the political conditions developed at a slower rate but analogously to those in Bohemia. Some peculiarities were adhered to in consequence of the slower development of the political and national consciousness, which commenced only in the 'nineties. Up till the 'nineties, Moravia had only one political party, the National party, besides which only the working classes represented their political views in the Social Democrat party. Also at this time the young progressive element broke away from the National party, and formed the Populist party which corresponded to the Young Czech party in Bohemia, of which it soon became a branch. The organ of this new party was the *Lidové Noviny* directed by Adolf Stránský, the head of the party in Moravia. When this new party united itself towards the end of the 'nineties with the National party from which it originated, the younger intellectuals organised Moravian branches of the Bohemian Radical-Progressive and Progressive parties. As it became evident in 1907 that the strongest political position in Moravia was held by the Catholic-National party which was also formed in the beginning of the 'nineties, it was decided in 1908 to unite these organisations with the Populist party as a protection against the Clericals, and in this way to form a Populist Progressive party. This new party in Mo-

avia became a branch of the Young Czech party and maintained its own character as regards cultural and social questions up till the years after the War. It further represented the radical Left wing of the later united party. The Moravian Christian Socialists, Agrarians and even Socialists also maintained their own particular political views within the framework of the old Monarchy, but entirely disappeared when the individual Diets were abolished in the independent Czechoslovak Republic.

The conditions in *Silesia* developed similarly, with the exception that the position of the Liberals was occupied by the National party until the nationalists united with the Young Czechs, and that it was the Agrarian party that was formed latest of all, after long activities of the Social Democrats, the National Socialists and the Christian Socialists. To-day there is already a uniform party political division in Bohemia, Moravia and Silesia.

The political divisions of the Germans in the Czech territories was similar to that of the Germans in old Austria. The political division of Austria was like that of the Czech people, the only difference being that the Liberal camp had a nationalistic programme. The Germans living in the Czech lands belonged to the governing nation in the old Austrian monarchy and so had older political traditions. They did not, properly speaking, form any political camp of their own as they were already powerful branches

of the German parties throughout the whole of Austria.

Slovakia, which was under the yoke of the Magyars up till the political revolution of 1918, only really commenced its political life after parting from Hungary and on becoming united with the Czech territories. Up to this time it was unable to be politically active, for on the hand, it had been hindered by the Hungarian voting regulations, which limited the franchise to the property-owning class — even more so than in the Austrian part of the monarchy — and on the other hand, the distribution of the electoral districts was so arranged that all the Slovak districts were combined with large and purely Magyar ones. These activities were, however, hindered chiefly by the great national oppression, which rendered impossible any independent Slovak political life. Consequently before the political and national revolution of 1918, only a kind of national movement existed in Slovakia, together with a Socialist movement, which however was kept down by systematic persecution and maintained itself to a certain extent only in underground activities.

The political development in *Carpathian Ruthenia* has been analogous to that of Slovakia. The party conditions here are rendered more complicated, however, on account of the following circumstances. First, there is the struggle on the language question between the Ukrainophils and the Russophils; secondly, there is the religious struggle between the

Greek Catholic Church and the Russian Orthodox Church. Nevertheless there is a slowly developing movement leading to the co-operation of the parties with their corresponding parties in the other parts of the Republic.

The revolution of 1918, which gave the Slovaks their freedom and full political rights, imposed upon them the task of forming their own political bodies and organisations. The chief rôle in this task was played, on the one hand, by the modest political traditions of the country and, on the other hand, by the natural character of the people, and finally by the Czech example. Under the leadership of the leaders of the previous national movements, Dr. Šrobar, Dr. Hodža and others, the *National party* was formed. Considering the fact that the majority of the Slovaks are farmers, and that this National party had to look for support from them for its development, it became an Agrarian party and from the outset sought co-operation with the Czech Agrarian party. The Social Democrat party also suddenly sprang to life and their programme found ready support amongst the poor Slovaks. Under the leadership of the clergy, who kept apart from the progressive leaders of the national and the agrarian movement, a Catholic party called the *Populist party* was formed at the head of which was placed Father Hlinka.

The Slovak Social Democrat party soon united with its parent party in the Czech territories.

Father Hlinka's Populist party co-operated with the Czech Populist party in the first years of its existence. The division of the Slovaks into parties is now similar to that of the Czechs. Only the more pronounced Liberalism is not represented there. An attempt to fill in this gap is made by the National Democrat party which endeavours to extend its field of activity into Slovakia, and also by certain small parties which have special Slovak sympathies. In proportion as the union of Slovakia with the Czech territories becomes more and more complete, the specifically Slovak distinctiveness in the party politics of Czechoslovakia will disappear.

SOCIAL COMPOSITION OF THE CZECHOSLOVAK REPUBLIC

according to the 1921 census.

Division according to profession	Czechoslovak Republic	%	Bohemia	Moravia	Silesia	Slovakia	Carpathian Ruthenia
Agriculture and forestry	5,385,790	39.6	29.7	38.6	21.6	60.6	67.7
Industry and trade	4,601,098	35.8	41	55	50.7	17.7	10.6
Commerce and transport	1,451,541	10.7	12.5	10.5	10.5	7.7	7.1
Public officials	750,523	5.5	6	5.4	5.1	4.9	4.5
Others	1,424,220	10.4	10.8	10.7	11.8	9.1	10.5
Total population	13,513,172						

18

COMPOSITION OF THE CZECHOSLOVAK REPUBLIC ACCORDING TO NATIONALITIES.

	Total		Bohemia		Moravia		Silesia		Slovakia		Carpathian Ruthenia	
		%		%		%		%		%		%
Czechoslovaks	8,760,937	65.5	4,382,788	66.6	2,048,426	78.2	296,194	47.5	2,015,792	68	19,737	5.2
Carpathian Ruthenians	461,849	3.4	2,007	0.03	976	0.04	358	0.05	85,644	2.8	572,884	62.1
Germans	5,125,668	23.5	2,175,259	33	547,604	20.9	252,565	40.5	139,900	4.7	10,460	1.7
Magyars	745,451	5.6	5,476	0.08	554	0.02	94	0.02	657,183	21.5	102,144	17
Jews	180,856	1.3	11,251	0.17	15,335	0.58	3,681	1.59	70,529	2.38	80,059	13.55
Poles	75,855	0.5	973	0.02	2,080	0.08	69,967	11.2	2,556	0.09	297	0.05
Others	23,235	0.07	1,091		1,481		99		8,973		14,227	

**COMPOSITION OF THE CZECHOSLOVAK REPUBLIC
ACCORDING TO RELIGIONS.**

	Total		Bohemia		Moravia		Silesia		Slovakia		Carpathian Ruthenia	
		%		%		%		%		%		%
Roman Catholics	10,384,855	76.2	5,216,180	78.2	2,421,220	90.9	564,064	85.9	2,128,205	70.9	55,164	9
Greek Catholics	555,645	3.9	6,813	0.1	1,777	0.07	727	0.11	195,778	6.4	352,458	54.8
Protestants	990,319	7.27	246,114	3.59	86,069	3.23	64,669	10.2	550,512	17.68	62,955	10.58
Russian Orthodox	73,097	0.54	7,292	0.11	1,687	0.06	242	0.04	2,879	0.09	60,997	10.06
Old Catholics	20,255	0.15	16,329	0.24	2,799	0.1	975	0.14	145		7	
Czechoslovak Church	525,553	3.8	437,377	6.56	61,786	2.3	24,069	3.58	1,910	0.06	191	0.03
Jews	354,342	2.6	79,777	1.2	37,989	1.4	7,317	1	135,918	4.5	93,341	15.3
Not belonging to any organised Church	724,507	5.5	658,084	9.86	49,026	1.8	9,405	1.4	6,818		1,174	
Others	2,884		1,344	0.02	315	0.01	754	0.11	210		221	

THE CZECHOSLOVAK PARTIES.

I. BOURGEOIS PARTIES (LIBERAL PARTIES).

National Democrats: This party is the most important and most typical Liberal party and continues the traditions of the pre-War Young Czech party, in spite of the fact that it was formed, after the national revolution of 1918, from five parties which were: the remains of the former Old Czech (National) party, the Young Czech party, the Constitutional Progressive party, the Moravian Populist Progressive party, and a part of the Progressive party. The party is recruited for the most part from the population of the cities, i. e. tradesmen, merchants and a considerable number of State and other officials and employees. The National Democrats desire to be, according to their programme, an all-national party and attempt, by means of a single programme based on the interests of the whole nation, to unite the interests and requirements of all classes of the nation. In consequence of this, the party endeavours to recruit its followers from all classes. The party has special sections for tradesmen, officials, teachers and professors, and workmen and also a small agrarian section (Rolnická Jednota). For all these sections it publishes its own newspapers, and for the workmen it has formed organisations which in 1925 had 17,687 members. In spite of all these endeavours to become a pan-national political organisation, this

party chiefly represents only the commercial and trading classes and the better situated classes of the town population. As regards the other elements, this party can attract only those groups which owing to their social position have no definite party or class interests and are divided amongst several parties, or those fractions of the bourgeoisie who approve of the all-national and Liberal ideology of the National Democrats. Most of the adherents of this party are in Bohemia. This party began to work in Slovakia and in Carpathian Ruthenia only in 1924—25.

By its programme and political practice the National Democrat party appears as a democratic party which has been compelled to accept the principle of the political equality of all the citizens of the State more in consequence of the general tendencies of the age than of its own convictions. This was shown on the occasion of the second sitting of Parliament in 1922 and in the municipal electoral regulations in 1919 when the party did not hesitate to resist thorough-going democracy. Even to-day there are undercurrents in this party which, for national reasons, desire a limitation of the franchise. The party defends very decidedly the national character of the State and is opposed to any partaking of the minorities, especially the Germans, in the Government and administration of the State, as well as to any policy whereby more rights would be granted to the minorities than they are entitled to in accordance with the Peace Treaties and the treaty relating to

the protection of minorities. In regard to foreign policy this party upholds Slav ideas and is absolutely opposed to a *de jure* recognition of Soviet Russia. It judges very soberly, and even sceptically, the policy of the League of Nations and places stress upon the regular development of the army. In economic policy it is a strict supporter of the principle of private property and denies the right of the State to interfere in matters relating to private enterprise. The National Democrats are not opposed to a social policy but in its execution they urge the claims of the owners of private concerns.

In its cultural section, the party continues on the whole to maintain the Liberal tradition of the one time Young Czech party with its negative attitude towards the Church and Clericalism. Externally, this party appears to be of one mind, but it is evident that, besides the official leadership represented by the executive committee and the majority of the deputies, there are two under-currents. On the Right there are nationalist and anti-socialist elements which boldly approve of fascist methods. This wing of the party, which is supported by the younger elements and criticises very sharply the existing foreign policy of the Republic, is represented by a few provincial newspapers and also by the monthly "Národní Myšlenka". The Left wing, which is represented by the weekly "Demokratický Střed", approves of the existing foreign policy of Czechoslovakia and is not opposed to a linking up of connections with Soviet

Russia, and maintains a critical attitude towards the nationalist tendency of the party. The political views of M. Dvořáček, the Minister of Commerce, are very near to those of this Left wing, while Dr. Kramář and MM. Ant. Hajn and Viktor Dyk belong to the Right wing of the party.

The National Democrat party is represented by the daily newspaper "Národní Listy" which was founded 65 years ago and therefore has a well-established reputation. The editorial staff of this paper has had amongst its members several prominent Czech journalists and writers. This journal is now edited by Dr. Hoch and F. Šis, and among their sub-editors are the authors Viktor Dyk, K. M. Čapek, Ignác Herrman, Miroslav Rutte and others. Prominent amongst the politicians who contribute articles to this paper are Dr. Kramář and Dr. A. Hajn. The "Národní Listy" publishes also an illustrated evening edition. The party issues in the country districts a number of weeklies and also two dailies, the "Český deník" in Plzeň (Pilsen) and the "Moravsko-Slezský deník" in Ostrava. Also the largely circulated Prague daily "Národní Politika", which previously served the Old Czech party, now supports on the whole the National Democrats, although it endeavours to present the appearance of a non-party paper.

Of the leading men of the party, the following deserve to be specially mentioned: MM. Karel Kramář, Ant. Hajn, Viktor Dyk, Lukavský, Matoušek and Dvořáček.

Dr. Karel Kramář was born in 1860 and has taken an active part in Czech political life ever since the beginning of the Eighties. He was one of the founders of the Realist movement. Leaving this in 1890, he joined the Young Czech party and in 1891 secured a seat in the Reichsrat in Vienna, where he soon became prominent as a good political tactician and mapped out the policy of the Young Czech party. He formed and applied the methods of a positive policy for which he was much criticised in Bohemia. He belonged to the few Czech politicians who, during the old Austrian régime, paid attention to foreign policy. He urged the view that Austria should keep closer to the Slav states as he believed that the best guarantee for the future of the nation lay in a *rapprochement* with the other Slav peoples, especially Russia. During the War he was imprisoned and sentenced to death, but the sentence was reprieved by the Emperor. After the War he took part in the Peace Conference as the leader of the Czech delegation side by side with Dr. Beneš, and contributed to the good result obtained by this delegation chiefly in regard to economic questions. He was the first Czechoslovak Prime Minister, and in 1923-1925 was a member of the Coalition Council of Five. He is still the most influential man in his party and it is he who mostly settles the course of its policy. The strong anti-Soviet policy followed by the party despite the opposition of industrial circles is to be attributed to his influence. In 1919-1920 he was the only Czech

politician who was in favour of intervention in Russia, and by his unconcealed opposition to Czechoslovakia's foreign policy he remains true to his own conception of Slavonic policy. Dr. Kramář is the author of several books of a political character. His point of view with regard to Russia is shown in his big post-War work "Ruská krise" (*The Russian Crisis*) which has been translated into German; and his views on foreign policy are expounded in his "Pět přednášek o zahraniční politice" (*Five Lectures on Foreign Policy*).

Dr. Antonín H a j n, who was born in 1868, seceded from the Progressive movement and in 1899 founded the Constitutional Radical party. He takes an active part in journalism (he owns and directs the weekly *Samostatnost*) and he is also a publisher. In 1917 he was banished from Prague and was interned in his birthplace. He is vice-president of the National Democrat party and plays a prominent part in its extreme nationalist wing. As regards foreign policy, he is of the same mind as Dr. Kramář.

Born in 1877, Viktor D y k also seceded from the Progressive movement and took a great share in arousing a lively national feeling amongst the Czech intelligentsia. He is one of the best Czech poets of the Nineties and his nationalist ideas are to be seen also in his poems. He is a senator and is active as an organizer and political writer.

M. Jan D v o ř á č e k was born in 1887 and belongs to the younger generation of the same party.

Up till recently he was head of the commercial-policy section in the Ministry of Foreign Affairs where he shewed great ability in the negotiation of commercial treaties. In 1925 he was elected parliamentary Deputy and was appointed Minister of Commerce. As regards his position in the party, he belongs to the moderate group which represents in particular the interests of the industrial and manufacturing circles.

After the political revolution of 1918, the National Democrat party still remained one of the strongest bourgeois parties. It had a very strong position in a large number of municipalities and for a long period also in Prague. The municipal elections in 1919 shewed that the party's position had considerably weakened. In the parliamentary elections in 1920 the party secured only 9.1% of the Czech and Slovak votes and 6.75% (387.552) of the total votes and consequently 19 seats in the House of Deputies, and 9.7% (354.561) of the Czech and Slovak votes and 10 seats in the Senate. In the elections of 15 November 1925, it again suffered considerable losses and obtained only 284.628 votes (4.33% of the votes) to the House of Deputies and 257.171 votes to the Senate. The number of its Deputies was reduced to 13 and the number of its Senators to 7. The weakening of the National Democrat party is the result of an internal process which has culminated in the division of the population into classes and has caused not only

the farmers and the labour elements but also the middle trading class to form fractions of their own.

The Traders' party was formed shortly before the 1920 elections but its chief organising activity began only after that event. This party is based on the middle classes i. e. all categories of the tradespeople and merchants, and has conveniently made use of the organisations representing the interests of those classes. The programme of the party is to safeguard the economic position of the middle classes. Consequently this places the party in opposition to the National Democrat party in so far as the latter represents the interests of the big industrialists, and also to the Socialist parties, and gives it a Conservative character in economic affairs. As regards political and cultural questions, this party has no definitely developed policy and up to the present it has occupied a moderately progressive position in practical politics. Besides a number of provincial papers it issues 2 dailies: "Reforma" in Prague, and "Československý deník" (*Czechoslovak Daily*) in Olomouc. The leaders of the party are Rudolf M l č o c h (who was born in 1881 and is president of the party and of its parliamentary club) and Josef N a j m a n. The strength of the party was doubled in the elections of 1925. In the 1920 elections the party obtained 122,813 votes and 6 seats in the House of Deputies and 107,674 votes and 3 seats in the Senate, whereas in the 1925 elections it secured 285,928 votes (to the Senate 281,171 votes) and 13 seats in the House of

Deputies and 6 in the Senate. Its numerical strength, therefore, is as large as that of the National Democrat party, and consequently its political importance and responsibility have increased. Since December 1925 the party has formed part of the Government Coalition and is represented in the Cabinet by R. Mlčoch who is Minister of Public Works. Most of the adherents of this party are in Bohemia. The party submitted candidates in Slovakia for the first time in 1925.

The National Party of Work. Shortly before the elections in 1925, an effort was made to form a new party from the Government and other officials who hitherto had been members of their parties, chiefly the National Democrat party, and thus to unite the elements of the intelligentsia who were not satisfied with the Coalition policy of the Government parties. The new group which took the name of the National Party of Work appealed to the dissatisfied elements in the Government parties, and caused considerable losses particularly to the National Democrat party by bringing about a secession of some of the latter's officials' organisations and a considerable part of its Moravian organisations, which were led by Dr. Jaroslav Stránský. The new party was strengthened also by the fact that some leading personalities, who up till that time had belonged to the National Democrat party, left this party, for example, Senator Jan Herben, a well-known political writer of the one-time Realist party, and the poet J. S. Machar who

up till recently was Inspector-General of the Czechoslovak army. The important Brno daily *Lidové Noviny*, which is owned by the Stránský family and had up till then represented the Moravian section of the National Democrat party, now went over to the National Party of Work together with the Prague weekly "Přítomnost" (*The Present Age*) which is edited by F. Peroutka. The weekly "Národní Práce" was founded as the official organ of the new party. In the 1925 elections this party obtained 98,240 votes to the House of Deputies and 87,917 to the Senate, but as these votes were scattered all over the Republic and the requisite number of votes was not reached in any electoral district, the party did not receive a seat in Parliament. Nevertheless, after the elections this party still remained in being and at the beginning of 1926 it arranged for a special congress to be held with a view to the drawing up of its internal regulations and of a concrete programme of policy.

Before the 1925 elections, several other endeavours were made to concentrate in new parties the educated classes and the dissatisfied adherents of the individual Coalition parties. Thus, the Realist party was formed. This party endeavours to renew the traditions of Masaryk's one-time *Realist party*, and is led by Professor Bláha of Brno University, who is author of a number of works in the sphere of sociology and psychology. This effort met with only small success. In the 1925 elections most of the adherents

of this party joined the National Party of Work. Since the elections each of these parties has worked independently. The attempts towards a union had failed, because the ideas represented by the National Party of Work are of a neo-Liberal character whilst those of the other party are of a Socialist nature (ideological Socialism but not class Socialism).

The National Party of Work and the attempt to form a Realist party prove that the party configuration of the bourgeois camp in Czechoslovakia is very changeable. The cultural and tactical factors, which are supported by the social differentiation of the various elements of this camp, facilitate the formation of new parties. The National Democrat party remains, even after its weakening, the main representative of the trading classes, in as far as the latter have Liberal views.

In the Liberal bourgeois groups one may include to a certain extent also the *Slovak National party* which was formed in March 1921 owing to a secession of a part of the adherents of the Slovak National and Agrarian party which co-operated with the Czechoslovak Republican (Agrarian) party. The reason for this secession was that they considered it necessary to lay greater weight upon their claims for a wide measure of Slovak autonomy. This group consists chiefly of the majority of the Protestant elements amongst the Slovaks and its leaders are Dr. Stodola, M. Zoch and Matus Dula. The well-known Slovak poet and Protestant pastor Martin Rázus also

has leanings towards this party whose official organ is the "Národné Noviny" (*The National News*) which appears in Turčianský Sv. Martin. In the 1925 elections this party presented an independent list of candidates and obtained 35,446 votes but no mandate.

II. THE AGRARIAN PARTIES.

The Czechoslovak Republican (Agrarian) party is, both in numbers and in its strong organisation, the most important party in consequence of the significance of agriculture in Czechoslovakia (39.6% of the population are engaged in agriculture and only 38.83% in industry). This strong position was acquired through gradual development. The party was formed in 1896 and consolidated its political and economic position in the country in its fight against the Social Democrats, on the one hand, and the Christian Socialists on the other. It not only formed various political organisations for young people in the rural districts but it paid attention systematically to the formation and control of various special organisations and institutions, as for example mutual benefit societies, agricultural unions and societies, cattle insurance associations, and similar institutions.

The political views of the party, which at the beginning was called the Czech Agrarian party, were at first typically conservative, as were also its views on cultural and social questions. This was due to

the simple political ideas of the large agricultural class and still more to the influence of its leaders who up to the time when the universal franchise was introduced into Austria, had been big farmers and landowners. In 1907—after the State became democratic—democratic ideas were also introduced into this party. It was chiefly after the War that the party became an active progressive force and succeeded in the years 1919 and 1920 (the period of the Red-Green Coalition under Švehla) in keeping pace with the Socialist parties in cultural and social policy. As regards nationalist questions, the party was always guided by the common sense of the rural population which was the support of the nation in the past and has been its support during and since the War. The post-War programme of the party is based on the principle that agricultural production is the basis of social life, and that there must be a continuous development and support of this production and of the producers, i. e. the rural population. The party found a wide field for the application of these principles in the Land Reform, the methods of which, to a large extent, were fixed by the party. The execution of the Land Reform is consequently largely in the hands of this party. The party not only attended to the acquisition of land for the agricultural masses but also to the intensifying of production and to the foundation of agricultural educational institutions of all types. In its Customs policy the party is of the opinion that agriculture is equally as important

as industry, and it therefore urges the introduction of protection duties on agricultural produce. In social policy the party has shown a remarkable understanding for progressive measures. This is proved by the fact that Czechoslovakia is the only country which has the 8 hours day for agricultural work (although there are numerous exceptions) and has introduced sickness insurance for agriculturists. Moreover, Czechoslovakia will soon introduce old-age and disability insurance for the workers as well as for employers.

Owing to its attitude towards the Christian Socialists, the party is compelled to adopt a clearly progressive policy in cultural matters. In its policy regarding the national minorities, the Republican party follows a moderate line and does not conceal its opinion that the future aim of Czechoslovak politics must be cooperation with the German and other national minorities. As regards foreign policy, the party has always supported in practice the existing official policy, though at times it has put forward objections to it and has adversely criticised it on the score of excessive pacifism and Francophil tendencies.

The party has a well-developed press and through its provincial papers it occupies a dominant position in a large number of country towns. Its central organ is the Prague daily "*Venkov*" which is directed by Senator Vraný and the writer Nečásek and is well provided with agricultural news. Besides this the

party issues the Prague daily "Večer", the inexpensive and popular "Čep", the illustrated "Rozkvět", the review "Brázda", the women's journal "Zvěstování" and many periodicals of a technical character. In Slovakia the party has two dailies, the "Slovenský deník" and the "Slovenská Politika". The party maintains continuous relations with the agricultural parties of other States, and is a branch of the Green International.

The leader of the party is Antonín Švehla who was born in 1873 and is a landed property owner. He commenced his political career as a deputy in the Bohemian Diet in 1908. A year later he became the leader of his party whose policy he skilfully directed during the War, endeavouring to unite the policy of all the Czech parties and manifesting great skill as a diplomatic politician. He was made president of the National Committee which carried through the political and national revolution in the historic days of October 1918, and he was also, of course, a member of the National Assembly. In the first Kramář Government he was Minister of the Interior and held this office until September 15th, 1920. In the beginning of October 1922, President Masaryk entrusted him with the task of forming a Coalition Government from 5 Czech parties. He was head of this Government until October 1925. It was no easy task to smooth out the differences amongst these 5 parties, whose programmes in many points were very divergent. Švehla executed this task with success and

well proved his capability as a self-taught farmer-diplomat, for with a sure instinct he quickly discovered the line of compromise compatible with the interests of the State and the nation. Also the preservation of the unity of the Republican party is due to him. After the November elections of 1925—which did not much alter the aspect of the Republic in general and made a Coalition Government again necessary—Švehla was naturally appointed Prime Minister of the new Government.

In addition to Švehla the Republican party has a good leader in František Udržal who was born in 1866, studied in Bohemia and Germany, and in 1897 was elected deputy in the Reichsrat at Vienna. In 1908 he was made one of the vice-presidents of his party. He was a deputy in the Bohemian Diet until its dissolution, and in the Revolutionary National Assembly he was vice-president. In September 1921 he was appointed Minister of National Defence for the first time and in October 1922 for the second time. He filled this post conscientiously and with the typical agrarian democratic spirit, until the 1925 elections.

The foremost places among the Slovak leaders of the Republican party are occupied by two politicians who were instrumental in arousing the national consciousness of the Slovak people and who during the Hungarian régime took an active part in political life and did not fear either persecution or imprisonment. The first of these two leaders is Dr. Vávro Šrobár

who was born in the district of Liptov in 1867. He is a medical man by profession and he is also a writer. After the national revolution of October 1918 he was alternately Minister of Public Health, Minister Plenipotentiary for Slovakia, Minister of Education and Minister of Unification. The second leader is Dr. Milan H o d ž a who was born in the Turčian district in 1878. After studying philosophy and obtaining his Doctor's degree, he became a journalist. At first he was editor of the "Slovenský Deník" at Budapest and in 1903 editor of the "Slovenský Týždeník". In 1905 he was elected deputy in the Hungarian Diet and was the only representative of the Slovaks. After the revolution of 1918 he was made chairman of the Liquidation Commission in Budapest, and afterwards he became state secretary to the Minister of the Interior. In 1919 he was appointed Minister of Unification and in 1922 Minister of Agriculture, which office he retained also after the November elections of 1925. He is Professor of History in Bratislava University.

The remarkable strength of the Republican party is shown by the fact that it received at the 1925 elections 970,498 votes in comparison with 603,618 in 1920. (These figures apply only to the Czech territories.) In Slovakia, the Slovak National and Peasants' party presented candidates independently and obtained a total of 242,045 votes. In Carpathian Ruthenia the party did not try its strength until 1924 when it obtained 15,050 votes. In 1925, therefore,

the party gained a total of 970,498 votes and obtained 45 seats in the House of Deputies and 23 seats in the Senate as compared with 42 and 19 seats in the previous Parliament.

The Agrarian Conservative party. Six months before the 1925 elections Senator Karel Prášek of the Republican party attempted to group together the right wing elements of the party and to form out of them a new Conservative Agrarian party. He declared that the Republican party, under the leadership of Švehla, had made too many concessions to the Socialists and had sacrificed many important interests of the agricultural population. Prášek, who had obtained very high positions through his party before the War (he had been a member of the Austrian Government), often came into sharp conflict with his party as far back as 1911. He was expelled from his party, and in order to obtain a seat in the Austrian Parliament he had to stand as an independent candidate. Later, however, he was re-accepted into his old party and after the national revolution of October 1918 he became Senator in 1920 and was elected president of the Senate. Subsequently there was a great scandal in connection with the Methylated Spirit Commission, of which he was chairman, and he was compelled to resign his position as president of the Senate. Since then he has often stated his conservative views, which are very different from the official policy of the Republican party. Finally he tried to break up the party, but in this attempt he

had little support. He issued a daily paper with the characteristic name of "Napravo" (*To the Right*) under the editorship of Josef Svozil, a one-time Czech Socialist and representative of this party in the Land Office. The new Prášek party developed considerable electioneering activity in 1925 but obtained only 27,844 votes to the House of Deputies and 29,244 to the Senate. Soon afterwards Karel Prášek resigned his post as chairman of the new party and retired to private life.

III. SOCIALIST PARTIES.

The Czechoslovak Social Democrat Party. Of all the Socialist parties in the State, this party is the most deeply rooted and has the oldest traditions. It was formed in 1878 at the "Markétský" congress, and under the great influence of the German Social Democrat movement in Austria and Germany it developed on a Marxist basis, i. e. it became a class party. In spite of the fact that, like the Socialist movement in Austria as a whole, the party suffered much through systematic persecution and its leaders were scarcely ever out of prison, its membership nevertheless steadily increased. It formed a large network of branch organisations and advanced hand in hand with the trade unions. Its political activities commenced in the 'nineties. In 1896 it occupied the fourth place in the Austrian House of Deputies, co-operating with the All-Austrian Social Democrat mo-

vement and concentrating all its efforts upon the attainment of the general franchise. The party's fight successfully culminated in the 1907 elections when it obtained 24 deputies, which number was increased to 26 in the 1911 elections. The party remained consistently true to the Marxist ideas in the Social Democrat movement. In practical politics the party showed, during the Austrian régime, an understanding of the daily needs of the working classes, and worked very hard for the attainment of reforms which would improve the living conditions of the workers. As regards the politics of the various nationalities, the party's official point of view was the same as that of the Social Democrat parties throughout the whole of Austria. It defended the view that the existence of Austria was necessary, although there were elements in the party which were not opposed to another solution of the State question if an opportunity offered for its realisation. The party's attempt in 1897 and in 1905 to make its trade union organisations become independent of the central leadership of the party in Vienna was a preliminary sign of the national and political revolution which was brought to a head by the War. The Czechoslovak Social Democrats took part in the Czechoslovak national movement abroad just as did the other parties; and towards the end of the War a change was made in the leadership of the party in Austria, for the leaders who had Austrophil views were dismissed and their places were filled by men who de-

sired the creation of an independent Czechoslovak State.

After the revolution of October 1918 the Social Democrat party took an active part in building up the young Republic and, in consequence of its strength which tended to increase, it soon occupied the foremost position in the new State. Its chief leader, Vlastimír Tusar, who was the first representative of the Czechoslovak Republic in Austria, became Prime Minister in 1919 and remained in office until September 1920 when a split occurred in the party. The Social Democrat party, which bore a part of the responsibility for the welfare of the young Republic, did not allow itself to be led into any hazardous Socialistic experiments, even although—chiefly in the first years after the War—it had followed a policy of radical reforms and had, together with the other Socialist group (the Czechoslovak Socialist party), passed such measures as the Eight Hours Day Act and the Works Councils Act. When socialistic-revolutionary and Communist ideas appeared within its ranks, the party faced them even though it meant a split which considerably weakened the party's position. After purging its ranks and consolidating its organisations, the party in 1922 again took its responsible share in the Government until the 1925 elections. The party still has its pre-War programme which was worked out on the basis of the "Erfurt programme". As, however, many of the practical aims in this programme have been at-

tained, the party formulates individual demands from time to time, and is now preparing a thorough revision of the programme by means of special commissions.

The party possesses a membership of 150,000 persons in its political organisations, which include young people's associations, women's societies, the Workers' Gymnastic Unions, the "Dělnická Akademie" (Workers' Academy), which is the educational centre of the party, and trade union organisations which are united in the Czechoslovak Association of Trade Unions which had some 475,000 members in 1924. These organisations are spread all over the Republic, even in Slovakia and Carpathian Ruthenia. The party has a very well developed press, having in all 5 daily papers. Its main organ is the "*Právo Lidu*" which has appeared for the last 26 years and is edited by Deputy Stivín and Jaroslav Koudelka. The remaining four dailies are published in Plzeň, Brno, Moravská Ostrava and Bratislava. In addition, the party has a number of weeklies, a women's journal, a young people's journal, the monthly review "Akademie", and its own printing press for the publication of numerous political pamphlets and booklets. The leadership of the party is in the hands of an executive committee, the chief members of which are Antonín Hampl, the chairman of the party, Rudolf Bechyně, Alfred Meissner and Lev Winter. As regards the older leaders, there is still living the aged organizer of the party, Deputy

Antonín Němec, who was at one time an employee in a printing works.

Antonín H a m p l was born in 1875 and is secretary of the Metal Workers' Union. He started life in a workshop which he left in order to devote all his time to the organisation of the Metal Workers' Union. Through his straightforwardness and his quick judgement, he has made it into the largest and most important trade union organisation of the Social Democrat party. Formerly he occupied several positions in his party, and after the revolution of October 1918, he became a member of the National Assembly (Parliament), and from July 1919 until May 1920 he was Minister of Public Works.

Rudolf B e c h y n ě was born in 1881 and was also a metal-worker but from his early youth he devoted himself to journalism. He was correspondent of the "Brněnský Deník" in Vienna and later in Prostějov. After the revolution of October 1918 he joined the staff of the main organ of the party, the Prague daily "Právo Lidu". In 1911 he was elected Deputy in the Reichsrat in Vienna. In Czechoslovakia he has been a Deputy since the formation of the State and has acquired a prominent position, not only in his party but also in the State in consequence of his excellent gifts as a politician and orator. In 1921 and in the following years he represented his party in the committee of five representatives of the Coalition parties, and in October 1922 he was appointed Minister of Education.

Dr. Alfred Meissner is a lawyer and, like Dr. Lev Winter, he has, since his youth, taken an active part in the party as a politician and writer. He is considered to be an authority on self-government and constitutional questions. (A number of his books deal with these matters). Dr. Lev Winter is an expert in social politics and in economics. The social insurance which was introduced in Czechoslovakia in 1924 was to a large extent his work. Deputy Meissner was Minister of Justice during the first Tusar Government, and Dr. Winter was Minister of Social Welfare in the Kramář Government, the Tusar Government and the Švehla Government. Both are considered as authorities in their party.

In the Plzeň district where the party has its strongest position (the mayor of Plzeň is Deputy Pik, a Social Democrat), the most important man in the party is Gustav Hábrman who was the leader of the national-revolutionary group in the party during the War. For a number of years he represented his party in the Government as Minister of Education and later as Minister of Social Welfare.

As regards the party leaders in Slovakia, one ought to mention the young lawyer Dr. Derer who was Minister several times, and Dr. Markovič. In Carpathian Ruthenia the party is led by a Czech, Deputy Nečas, the Carpathian Ruthenian Kločurak and the farmer Ostapčuk.

After the revolution of October 1918 the Social

Democrat party was the strongest of the Czechoslovak parties. In the 1920 elections it obtained 1,590,520 votes, i. e. 25.65% of all the votes. In 1925, after the secession of the Communists in the autumn of 1920 and the slackening of the Socialist movement in Slovakia, it obtained only 630,894 votes, i. e. only 8.88% of all votes. The number of its mandates dropped from 74 (or 52 after subtracting the Communist seats) to 29 in the House of Deputies, and from 43 (or 36 after subtracting the Communist seats) to 14 in the Senate.

Communist party. This party was formed in 1920 under the direct influence of the Russian model, and at first was known as the Social Democrat Left party. Through the influence of their leaders who pretended to be bent only upon the maintenance of pure Social Democrat principles, the radical elements of the working classes were diverted from the Social Democrat party. The leaders of this group, however, did not dare for a long time to show their real political character, which was entirely on the lines of the III International. It was only after the attempt at a revolutionary "Putsch" in December 1920 that they showed their real colours (Christmas 1921) and formed a new Communist party, as a section of the III International. The party is entirely in agreement with the III International and its political activity is of an absolutely negative character. From the beginning of its independent existence it has been in the throes of continuous

internal crises which are the consequence of conflicts between the romantic, unfruitful doctrine of Communism and the realistic nature of the Czech workman. Even if the latter is of a radical turn of mind, he does not lose his sense of everyday needs. As a result of these crises, which involve a constant changing of leaders and watchwords, the membership of the Communist organisations is steadily decreasing.

Shortly after its foundation the party had over 400.000 organised members, which number after two years decreased to 130.000 and, in 1925, to below 100.000. The party takes its stand on the Moscow theses which are laid down every 2 years on the occasion of the Communist International and lives on extreme radical watchwords, which it brings forward whenever a concrete question is at issue, and also on the discontent which very easily takes hold of the masses in periods of economic crises after a war. By taking advantage of this discontent, which to a smaller or greater extent manifests itself amongst the adherents of all parties, particularly the Socialists, the Communist party acquires a much greater influence than is commensurate with its actual strength. The Communist party is the only party in Czechoslovakia in which all nationalities are represented, and in its central executive committee there are also Germans, Magyars and Poles. It is openly anti-democratic and anti-parliamentary and is in favour of a dictatorship of the proletariat on the

Russian model. It regards Parliament as being merely a convenient forum for Communist propaganda. The party has its own trade union organisations which, with a membership of 210,611, are a part of the Russian International of Labour Unions. It has educational institutions, the so-called "Proletkult", its gymnastic clubs and also a press with a fairly good circulation. Its main organ is the Prague daily *Rudé Právo* which is edited by J. Dobrovolný. The party publishes daily papers also in Brno ("Rovnost"), in Moravská Ostrava ("Dělnický Deník") and in other towns. In Prague it issues a women's journal and one for young people, together with the illustrated educational journal "Reflektor" and the "Komunistická Revue".

The leaders of the party are mainly the intellectuals Dr. V. Houser and Dr. Boh. Šmeral (who are Czechs) and the Germans, Dr. Neurath and Dr. Kreibich. Although the power of the party lies in the hands of the two Czech leaders, they keep themselves in the background. Dr. Boh. Šmeral was born in 1880, and before the War was one of the foremost leaders of the Social Democrat party; he edited its main organ and was also its Deputy in the Reichsrat. At one of its last meetings before the War, he formulated its pro-Austrian programme and also during the War he kept to this programme in the name of his party and did not shirk the consequences. After the national revolution of October 1918 this orientation was rejected and Dr. Šmeral lost his leading

position. He took this loss very much to heart and went over to Communism. But even in the Communist party he is blamed on the score of being an opportunist and with having sympathies for the right wing. Dr. Šmeral is really one of those who realize that the conditions for Communist experiments in Czechoslovakia are unfavourable.

Before the War Dr. H o u s e r was secretary to the Social Democrat party and, like Šmeral, is also an opportunist. He is one of the most radical men in his party and exerts a great influence in spite of his keeping more or less behind the scenes. Of the Communistic workmen leaders the following have great influence: Antonín Zápotocký, Alois Muna and the ex-teacher Josef Haken.

The German Communist leader K. K r e i b i c h was born in 1883, and before the War he was editor of the Social Democrat (now Communist) paper "Vorwärts" which is published in Liberec (Reichenberg). He is one of the best educated Communist leaders and his position in the party is on the realistic right wing.

In Slovakia where the population is politically less developed than in the western half of the Republic and is consequently more open to Communist suggestion, the Communist party is led by agitators of only average quality. At the head of the Communist movement in Carpathian Ruthenia is the young lawyer Gáti, a native of Užhorod.

In the parliamentary elections of 1925 the party

obtained 933,711 votes, i. e. 13.14% of all the votes. Of this number 468,182 votes were registered in Bóhemia, 191,850 in Moravia and Silesia, 189,010 in Slovakia, and 75,669 in Carpathian Ruthenia. Owing to the fact, however, that the Communist voters belong to all the nationalities in the Republic, one may estimate that of the Czech votes in the Czech territories some 450,000—500,000 were given to the Communists. This party takes only the third place, therefore, amongst the workers' parties in the Czech territories. Its centre of gravity is in Slovakia where radical and irresponsible demagogy has an easier task. In the House of Deputies the party has 41 seats and in the senate 20. According to Communist statistics, the Communist Deputies are as follows: 27 Czechs, 8 Germans, 3 Magyars, 2 Carpathian Ruthenians, and 1 Pole.

In the beginning of 1925, those groups of more realistic-minded Communists who blamed the party for being too much under Russian influence and for following an unrealistic policy which was an unfruitful one for the working classes, formed a separate group under the leadership of the Prague deputy Bubník. At first this group worked within the Communist party but was soon found out and its leaders were expelled from the party. They then established a new party called the *Independent Communist party*, issued their own daily paper ("Hlas Pravdy") and tried to form their own system of organisations. In the 1925 elections, however, this party obtained only

7,854 votes and decided to break up, recommending its adherents to join the Social Democrat party. In this way, quite a number of political workers returned to the Social Democrats; amongst them were 7 ex-Communist deputies, 5 of whom (Josef Bubník, Josef Teska, Jaroslav Rouček, Josef Kříž and Ladislav Kučera) had a good reputation amongst the workers.

The Czechoslovak Socialist party. This party was founded in 1879 under the name of the National Labour party and was conspicuous owing to its nationalistic programme which was not in agreement with the international one of Social Democracy. The consequence was that for a number of years before the War this party was always in opposition to the Social Democrats. After the War, however, the Czechoslovak Socialist party developed, side by side with the Social Democrats, into a socialistic reform party. While the Social Democrat party changed its attitude towards the State and assumed a national colour, the National Socialist party, in consequence of the influence of the working classes and of the exceptional post-War conditions, became more socialistic. The Czechoslovak Socialist party differs from the Social Democrat party in that it rejects Marxism (with the exception of State Socialism) and reckons to a greater extent with the smaller middle class elements, such as clerks and tradesmen. It does not concentrate upon the industrial workers in the same way as the other party does.

It approves of the present form of the State, is politically progressive, and energetically demands the separation of the Church from the State. In economic and social politics it is run on the same lines as Social Democracy. In foreign policy it supports the policy of Dr. Beneš, the Foreign Minister, who joined the party in 1922.

The party has a wide-spread system of political and trade union organisations which in importance and strength do not fall far short of those of the Social Democrats. They are centralized in the so-called Czech Association of Workmen and have a membership of 306,247. The party carries on great educational activities and has a remarkable Worker's Academy. The party's press is well organised, its main organ being the "České Slovo" which has a wide circulation and appears twice daily. Its editor in chief is Otakar Skýpala; the political sub-editors are Dr. Kahánek, and Dr. Jaroslav Kopecký. The party has also its daily papers in Plzeň, Brno and Ostrava, besides a number of provincial papers, technical journals, and a monthly review. After the War, a considerable number of members of the former Progressive (Masaryk) party joined this party. Two of its leaders are Václav Klofáč who formed the party in 1897, and Jiří Stříbrný, who is the party's foremost political leader.

Václav Klofáč was born in 1868 and was first active as sub-editor of the Liberal paper "Národní Listy". After the formation of his National Socialist

party he entered political life and was elected deputy to the Reichsrat and the Bohemian Diet. In the Vienna Parliament he, together with Dr. Kramář and Prof. Masaryk, was one of the very few who paid attention systematically to foreign policy and he maintained close relations chiefly with the Yugoslavs and with Russia. After the outbreak of the War he was imprisoned in Vienna. Both before and after the national revolution of October 1918 he was a member of the National Committee and of the Revolutionary Parliament as well as of the elected Parliament. In the first Czechoslovak parliament he was Minister of National Defence, which office he occupied also in the 2nd Tusar Government.

Jiří Stribrný was born in 1880, and has been active from his youth as a political organizer and journalist. During the War he was persecuted for his anti-militarist activities. He first became a Deputy in 1911, and after the revolution of October 1918 he was made a member of the National Committee and of the revolutionary National Assembly. In the Kramář Government he became Minister of Posts and Telegraphs, in the Tusar Ministry he was Minister of Railways, and in the Švehla Government (1925) he was Minister of National Defence. He represented his party in the Council of Five (the so-called "Pětka") and is one of the most able politicians in Czechoslovakia.

Since 1922 this party has counted amongst its members also Dr. Beneš who determines its policy

in foreign affairs. One of the leading men of the party in Slovakia is Igor Hrušovský.

In spite of the fact that a Communist influence made itself felt, the party has remained united. This Communist influence was due to a small group of anarchists which joined the party in 1918 and tried to introduce its ideas at the beginning of 1923 when the deputies, Dr. Vrbenský, Dr. Bartošek, Landová-Štychová and Václav Draxl, transgressed against the rules of the party's parliamentary club by voting against the law for the protection of the Republic. In consequence of this, they were excluded from the party and lost their mandates. For a short time they formed a new party, together with the Independent Social Democrats, Brodecký, Klein and Charvát. When, however, these three Social Democrats re-joined their parent party and when the Independent Socialist group ceased to exist, Vrbenský, Bartošek and Landová-Štychová joined the Communist party. This showed that the Czech Socialist party was not really affected. The elections in November 1925 showed that its position had improved since 1921. In comparison with 500.831 votes in 1920 this party obtained 609.195 votes in the November 1925 i. e. an increase from 8.08% to 8.57%. In the House of Deputies this party now has 28 seats and 14 in the Senate.

IV. CONSERVATIVE PARTIES.

The *Czechoslovak Populist (Catholic) party* is in a certain sense an all-national party, for all sections of the nation supply it with members. The majority of these, however, are small farmers and workers of the country districts, although since the War the party has taken firm root also in the towns and contains a fair proportion of the intelligentsia in its ranks. This composition gives to the practical policy of the party its special character. In the first place it endeavours to bring Christian, that is Catholic, ideas into effect in the legislation and to fight for the preservation of the influence of the Catholic Church in the schools and in public life. As regards economic policy, it is an anti-Socialist party, although owing to the fact that most of its adherents are persons of humble position it is compelled in practical social policy to keep pace with the Socialist parties and to adopt in this respect the procedure obtaining in the Christian Socialist parties of other countries, particularly Germany and Belgium. Like them, it has Christian-Socialist trade union organizations which, however, are not on the same level of development as those of the Socialist parties and were of no great importance before the War. Since the War its trade union organizations have grown; today they contain some 125,000 members, have their own secretarial offices, and have to be taken into account, as far as the leadership

of the social struggle of the workers in certain districts is concerned. The party pays special attention also to agrarian policy, and as far as the agricultural labourers and smaller farmers are concerned, it competes with the Republican (Agrarian) party. The agriculturists have in the party their own special organizations which direct economic and co-operative activity amongst the small farmers. Despite the fact that in extent and wealth its societies and institutions are inferior to those of the Agrarian party, its undertakings possess nevertheless a great value. The Populist party keeps together its town members by educational and social activity. It has its own groups of teachers and professors and also a students' organization. Its young people are well organized, particularly in the "Eagle" gymnastic associations, a branch of the Sokols. In internal policy it is at one with the remaining Czech parties, although it is more moderate in nationality questions. It often has no independent attitude of its own in foreign policy, but is in favour, of course, of the maintenance of diplomatic relations with the Vatican and is naturally opposed to a separation of the Church from the State.

In its organization the party is united, but there are currents which are the result partly of the traditions of the groups into which the party was divided before the War (the Christian-Socialist group, the Conservative Populist party, and the Catholic-National party) and partly of the different interests

of the various professions represented in the party. In addition to the official Conservative current there is also a very powerful hierarchical element. A special group in the party is formed also by the agriculturists. Until recently there were in the party various regional groups reflecting the policy and endeavours of the leaders of the different provincial centres, particularly Hradec Králové, which with its seminary and aggressive bishops long played a predominating part in the Populist party and was the centre of the Christian-Socialist trade unions, further Budějovice (Budweis) and also, of course, Moravia with its centres at Brno and Olomouc. These regional distinctions, however, are gradually disappearing.

The Populist party possesses two daily newspapers in Prague and two in Moravia. The Prague *Lidové Listy* is its main daily and represents the official policy of the party. This journal is directed by a priest, Deputy Stašek. One should mention also the *Pražský Večerník*. The second Prague daily *Čech* was established in 1876 and is the property of the printing-works and publishing house of Kotrba; it represents the views of the more Conservative and hierarchical elements and the Christian-Socialist wing. *Čech* criticizes very sharply the policy followed in common by the Populists and the other Czech parties. It publishes articles by the elderly but very aggressive priest Horký who used to be a member of the Austrian Imperial Council. At Brno in Mo-

ravia the party has the daily *Den* which is directed by Father Světlík; at Olomouc it has *Našinec* which is under the editorship of M. Zamykal, and at Ostrava it publishes the *Ostravský Kraj*. At meetings of the country people the party spreads its views by means of inexpensive weekly periodicals which are widely circulated with the assistance of the parish priests. Such periodicals are *Meč* and *Štít* and the religious journals *Kříž*, *Maria*, and *Svatý Vojtěch*. The party publishes much literature also of another character; at Hradec Králové it publishes inexpensive booklets on religious, political and theological subjects.

As regards the leaders of the Populist party, one should mention above all M o n s i g. J a n Š r á m e k who has the chief influence in directing the policy of the party. He was born in 1870 in Moravia and since his youth he has devoted his energies to organization and political activity in the Catholic spirit. In 1899 he was instrumental in the convoking of a Moravian-Silesian Christian Socialist congress, at which were laid the foundation of the Czechoslovak Christian Socialist organization. Since that time he has been the chairman of the party. In 1904 he was appointed lecturer in the Theological Faculty at Brno. In 1906 he was elected to the Moravian Diet and in 1907 to the Vienna Reichsrat. Since the political revolution of October 28, 1918 he has been a member of the Czechoslovak Parliament and the leader of the Populist party in Czechoslovakia. In

September 1921 he became Minister of Railways, and in October 1922 Minister of Public Health. He was a member of the Coalition "Pětka" (Council of Five). Dr. M o ř i c H r u b a n, the second leader of the Populist party, is also a Moravian. He was born in 1862 and is a lawyer in Olomouc. For a long period he was deputy-chairman of the executive committee of the Czechoslovak Populist party in Moravia, Deputy-Hejtman for Moravia, deputy in the Moravian Diet and Vienna Reichsrat, and since 1918 he has been deputy in the Czechoslovak Parliament. In the Kramář Government he was Minister without portfolio. Another influential member of the party is M. M e t o d Z a v o r a l, Abbot of the Strahov monastery. Born in 1862, he has been chairman of the Senators' Club and is well-known particularly on account of his knowledge of Rumanian affairs. The building up of the party in Bohemia is due in part also to the editor of the journal *Čech*, V á c l a v M y s l i v e c. Born in 1875, he was a deputy of the party in the Vienna Reichsrat; today he belongs to the hierarchical group. Another pioneer of the party is the Moravian farmer J o s e f Š á m a l í k who is chairman of an association of Catholic agriculturists; he likewise used to be a deputy in the Moravian Diet and the Vienna Reichsrat. In 1923 A l o i s K a n d e r k a, a Moravian worker amongst the Catholic cottagers, attempted to build up an independent association of cottagers, whereupon he came into conflict with

the party and at last seceded from it. His efforts to create an independent party did not succeed, however, because in the 1925 elections he obtained no more than 14,453 votes. The strength of the Populist party is evident from the fact that there was an increase in the number of its votes in the 1925 elections. In 1920 when the party worked in common with the Slovak Populist party their combined votes amounted to 699,726 or 11.29% of the total number of votes registered. In 1925 the Czech Populist party, now separated from the Slovak Populists, obtained 691,238 votes. The number of its votes in the historic lands (Bohemia, Moravia and Silesia) increased therefore by 219,497. The party thus obtained 31 seats in the House of Deputies instead of the 21 which it had before; in the Senate, the party now possesses 16 seats as compared with 12 previously.

In Slovakia the party entered the 1925 elections independently of Hlinka's Slovak Populist party but owing to the fact that its electioneering activities commenced only a short time before the elections were held, it gained no more than 18,173 votes, the majority of votes going to the Hlinka party.

The *Slovak Populist party* has a similar Catholic basis to that of the Czech Populists; it has special features only by reason of the fact that in religious questions the more passionate character of the Slovak people comes into play and that autonomy is placed in the forefront of its political programme.

The educational level of the Slovaks, whose cultural needs were neglected under the Magyar régime, is universally lower than that obtaining in the historic lands, whilst a much more prominent part is played by religion and the priests have a more penetrating influence. The Hlinka party manifests these features and adopts a hostile attitude towards all attempts to change this state of affairs, for it passionately defends Church influence in public life and the schools. It describes the endeavours of the Czechs in Slovakia to raise the level of the long-neglected masses of the people as attempts to deprive the people of religion. Originally the Slovak Populist party was represented in the Prague Government side by side with the Czechoslovak Populist party, but it seceded when its categorical demand for the establishment of two Church *gymnasiums* could not be acceded to in view of the fact that the State schools are under a single management. Since then, the party has been in the Opposition and has adopted a negative attitude towards the Government in Prague by demanding the introduction of political autonomy in Slovakia. As far as can be judged from the speeches delivered by the leader of this party, he means by political autonomy the erection of a Diet for Slovakia, independent management of the schools, the nomination of the lower officials, the establishment of an independent official Land Office for Slovakia, and other things. In demanding autonomy, the Slovak Populist party

takes its stand on the so-called Pittsburg Agreement which was negotiated with the Slovaks in America by President Masaryk. There is no doubt that in the passionateness with which the Slovak Populist party opposes everything Czech and defends the idea of an independent Slovak nation—although the opposite thesis was defended by Hlinka even after the political revolution of October—there are traces of a Magyar and Magyarone orientation. This does not imply that the Slovak Populist party is directly dominated by Magyar propaganda, but the priests who are active in its ranks and the people lived too long under the Magyar yoke and have acquired many Magyar mental qualities. Many of the leaders of this party have not freed themselves mentally from this influence and strengthen the anti-Czech elements in the party.

The party is well organized because it contains in its ranks the greater part of the Slovak Catholic priesthood, and possesses its own economic institutions (consumers' associations and co-operative societies) and press. It is served by the very demagogical Ružomberok daily *Slovák* which is edited by the priests Tuka and Macháček. In the 1920 elections this party obtained in Slovakia 235,389 votes and in the 1925 elections as many as 489,027, or 34% of the votes of all the Slovak parties. On the basis of these results, the party obtained 25 seats in the House of Deputies (as compared with 12 ob-

tained after the previous elections) and 12 seats in the Senate.

Of the leaders the greatest influence is manifested by Father Andrej Hlinka who was born in 1864 and is a priest at Ružomberok. He was a nation-conscious Slovak already before the War and was persecuted by the Hungarian authorities. After the political revolution of October 28, 1918 he became a member of the Revolutionary National Assembly. He directs the political and economic policy of the Slovak Populist party, and by his journalistic work gives to the Slovak Populist press its special tone. He is a splendid popular speaker and by his personal influence is able to stir up the masses of Slovakia. The successes of the Slovak Populist party are due mainly to him. Another leader is Father Ferdiš Juriga who before the War was a Slovak deputy in the Hungarian Diet and is now a priest in Bratislava. Considerable influence in the party is possessed also by the young Ružomberok lawyer Dr. Ludevít Labay. The Magyarone tendency is represented especially by the intelligent Dr. Tuka who has managed to exert a considerable influence. His great merit lies in the fact that the Slovak Populist party is supported also by the elements in the Magyar minority in Slovakia. The Slovak Populist party has managed to maintain nearly the whole of its unity. In 1922 one of the parliamentary deputies of the party, Josef Vrabec, secretary for the Labour elements in

the party, endeavoured to organize a Christian-Socialist group but he failed in this and was soon no longer a member of the party. Similarly in 1924 Father Koza-Matejov, formerly editor of the *Slovák*, wished to found a fraction on the basis of a programme which would facilitate the co-operation of the Slovak Populists with the Czech parties. For a certain time he published the daily *Slovenský Národ*, but failed to establish any organization in Slovakia and gave up the attempt. It appears to be necessary to take into account the fact that the Slovak Populist party is the strongest political party in Slovakia.

TABLE OF CZECHOSLOVAK POLITICAL PARTIES ACCORDING
TO THE 1925 ELECTIONS (I).

	Bohemia	Moravia and Silesia	Slovakia	Carpathian Ruthenia	Total Number of Electors	Number of Deputies and Senators	Percentage
1. Czechoslovak National Democrat Party	213.868* 192.230	42.729 38.765	24.957 21.753	3.074 3.612	284.628 256.360	13 7	4
2. Traders' Party	194.024 173.506	80.302 72.433	11.602 11.232	— —	285.928 257.171	13 6	4
3. National Party of Work	45.471 41.139	59.150 55.178	13.619 11.600	— —	98.240 87.917	— —	1.4
4. Citizens' Parties (Moravská Ostrava)	— —	4.240 —	— —	— —	4.240 —	— —	0.1
5. Slovak National Party	— —	— —	55.446 31.657	— —	55.446 31.657	— —	0.5
6. Czechoslovak Republican Agrarian Party	488.107 420.785	199.734 172.058	247.741 214.384	34.916 34.440	970.498 841.647	45 25	15.7
7. Czechoslovak Conservative Agrarian Party	21.193 21.580	6.651 7.664	— —	— —	27.844 29.244	— —	0.4

* The first figure refers to votes to the House of Deputies, the second figure to the Senate.

TABLE OF CZECHOSLOVAK POLITICAL PARTIES ACCORDING
TO THE 1925 ELECTIONS (II.).

	Bohemia	Moravia and Silesia	Slovakia	Carpathian Ruthenia	Total Number of Electors	Number of Deputies and Senators	Perce- tage
8. Czechoslovak Social Democrat Party	385.968 330.494	166.141 141.019	60.602 52.104	18.185 13.853	630.894 537.470	29 14	8.9
9. Czechoslovak Socialist Party	435.553 369.408	120.908 101.082	37.163 31.291	15.571 14.469	609.195 516.250	28 14	8.6
10. Communists	468.182 392.095	191.850 158.075	198.010 160.820	75.669 63.466	933.711 744.454	41 20	13
11. Independent Communists	3.082 —	3.320 —	357 —	1.095 —	7.854 —	—	0.1
12. Czechoslovak Populist Party	296.712 268.591	368.951 327.829	18.173 14.582	7.402 7.031	691.258 618.033	31 16	9.7
13. Czechoslovak Cottagers' Party (Kaderka)	2.080 —	12.373 —	— —	— —	14.453 —	—	0.2
14. Hlinka Party	— —	— —	489.027 417.206	— —	489.027 417.206	23 12	6.9

* The first figure refers to votes to the House of Deputies, the second figure to the Senate.

POLITICAL PARTIES OF THE NATIONAL MINORITIES.

A. GERMAN MINORITY.

The party configuration of the German minority in Czechoslovakia is similar to that of the Czechoslovak majority. All the four orientations—Bourgeois-Liberal, Agrarian, Socialist, and Christian-Socialist—are very clearly represented. The situation into which the Germans in the Czech lands came after the political revolution of October 28, 1918 means that the national majority which previously had the government of the State in its hands has now become a national minority. So far this situation has produced such an effect on all the political parties that class and ideological factors have become secondary to the nationalistic factor which brings the German political parties mutually together and places a barrier between them and the parties with similar class interests and ideological foundations in the Czech camp. The Bourgeois-Liberal element in the German minority are represented by two parties: the German National party and the German Progressive party.

The *German National party* represents the population of the German towns and consists of most of the industrialists, a considerable section of the traders, State and public employees and of the intelligentsia, that is, classes that were exponents of the

power of the State and of the policy which under the pre-War Austrian régime was directed in the Czech territories against the Czechs. These classes represent therefore today the most nationalistic group of the German minority. In their political programme they demand self-determination for the German minority and in most cases they do not hide the fact that they regard the realisation of this right in an integral sense against the unity of the Czechoslovak Republic and in the sense of an amalgamation of the German territories of Czechoslovakia with Germany. Long after the revolution of 1918 the German National party set the tone in the policy of the Czechoslovak Germans. The declaration which their leader made on June 1, 1920 at the first meeting of the elected National Assembly of Czechoslovakia and in which it was emphasized that the Germans had never desired to join the Czechs and form with them a union to create the Czechoslovak Republic, that the German regarded the results of the Peace Treaties as a sanction of violence and not of a legal state of affairs, and that they did not recognize the Czechoslovak Constitution, was pronounced in the name of the German Parliamentary Union, that is, not only of the German National party but also of the remaining German parties with the exception of the Social Democrats. Since that time the other parties have changed, at least to a certain extent and in form, their relations to the Czechoslovak Republic. The

German National party has maintained its negative attitude in Parliament and by an irredentist policy both at home and abroad. The main merit for this policy was due to the leader of the party, Dr. Rud. Lodgman.

Dr. Rudolf Lodgman was born in 1877 at Hradec Králové (Königgrätz), and developed political activity in the Austrian Reichsrat as a deputy of a very moderate tendency and in particular of a realistic tendency in nationalist questions. After the revolution of 1918 he organized the resistance of the Germans in Bohemia against the Czechoslovak State and directed in Liberec (Reichenberg) the so-called German Territorial Government at the head of which he stood as Territorial Governor (Landeshauptmann). After the failure of this episode and the decision at the Peace Conference he became irreconcilable despite the absolute unfruitfulness of the negative policy of the German National party. He remained irreconcilable even when in the German camp there gradually came to the top more realistic elements and when in his party there were manifested, in addition to negative tendencies, also more conciliatory and activist tendencies. After the 1925 elections when he saw that the general result of the elections signified the decisive success of the activist German camp and that he himself was not elected on the first scrutiny and was rejected on the second scrutiny, he decided to leave political life. Whether

this decision is to be permanent cannot be said at present. In the German Activist camp his decision called forth the opinion that his departure was the result of the non-success of his political orientation and that he would return in due course in order to announce a new realist orientation. His successor in the leadership of the German National party is Deputy Brunar, a notary of Cukmantl in Silesia. He was born in 1876.

The organ of the German National party is the daily-*Sudetendeutsche Tageszeitung* which has been published in Prague since 1924. In addition to this, the party is served by a number of provincial journals, and also a few German journals in private hands, e. g., the widely-circulated *Reichenberger Zeitung*, are close to its orientation. In the 1925 elections the German National party obtained 240,879 votes and secured ten seats in the House of Deputies. In the Senate it will have five seats. In the 1920 elections the party put forth a list of candidates in conjunction with the German National Socialist party, obtained 328,735 votes, and secured 17 seats, 5 belonging to the National Socialists.

The *German Progressive* party is mostly a party of the intelligentsia, and in particular the majority of the pro-German Jews. It has a considerable number of adherents among the Prague Germans. It differs from the other German parties mainly by its progressive tendency in all cultural and social questions. In nationalist policy it was originally a member of the

united Parliamentary Club, but it always had a more realist programme, demanding autonomy for the Germans in Czechoslovakia and emphasizing on every possible occasion the positive demands of the Germans. At the head of this party are two eminent Prague German politicians, Dr. K a f k a and Dr. S p i e g e l. The former is a professor in the German University of Prague and was born in 1881. Until lately he was chairman of the party, and in Parliament he used to speak very frequently on foreign affairs and in some cases he did not hide the fact that he agreed with the official policy, especially in regard to the League of Nations and the Geneva Protocol. Dr. Spiegel, the second of the above-mentioned leaders of the German Progressive party, is also a university professor. He was born in 1864 at Rychnov nad Kněžnou.

In the 1920 elections the German Progressive party won two seats in the House of Deputies (having obtained 32,595 votes), but in the 1925 elections it did not present a list of candidates because after the failure of the attempts at union, in view of the elections, of at least a section of the German parties, its prospects were very insignificant. The German Progressive party had no organ of its own. Its political leaders published their views both in the two Prague dailies *Bohemia* and *Prager Tagblatt* and also in some of the provincial journals.

Just as in the Czechoslovak camp so also in the German camp there was formed a Traders' party

which in the first elected House of Deputies had one deputy in the person of Alois Stenzl, a miller of Moravská Třebová. In the 1925 elections this party co-operated with the German Agrarian party and on the list of candidates presented by the latter it had three of its own representatives, thus forming a kind of transition between the German bourgeois camp and the German Agrarians.

The *Bund der Landwirte* (as the German Agrarian party is officially called) has the same class basis as the corresponding Czech party, but in its nationalist programme it is at one with the other German parties, although it does not deny its more activist character and inclination for practical politics; it lives not by nationalism alone but demands a share for the Germans in the government of the State. In this sense the German Agrarian deputies have very frequently shown that they have different views from those of the German Nationalists, although in addition to the activist wing there exists in their camp also a nationalist wing with tendencies that lie in the direction of the German National party. The leaders of the activist wing are the farmer Křepek, the old leader of the party, and Professor Spina, whilst Deputy Mayer is the leader of the nationalists wing. Deputy Křepek, a landowner in the region of Litoměřice (Leitmeritz), was born in 1855 and was a deputy in the Bohemian Diet. Dr. Spina is a professor at the German University of Prague and was born in

Moravia in 1868. In 1925 he drew up a proposal for German school autonomy, a proposal which was recognized by the Czechs as a possible basis for discussion. The leader of the nationalist wing of the German Agrarian party, J o s e f M a y e r, owns an estate in the neighbourhood of Cheb (Eger). Born in 1877, he is chairman of the Association of German Agricultural Co-operative Societies and a member of the German Section of the Agricultural Council. Before the War he was a deputy in the Austrian Parliament and also in the Bohemian Diet. After the political revolution of October 28, 1918 he took part in the resistance of the Germans in Bohemia, and in the so-called German Territorial Council he occupied the position of Minister of War.

The German Agrarians are the strongest German party. In the 1925 elections they obtained a total of 571,198 votes as compared with 241,747 votes in the 1920 elections. It is necessary, however, to state that they were assisted in the elections by the Magyar Agrarians of Slovakia who in the first elections obtained 26,520 votes. This co-operation will probably continue also after the 1925 elections. The organ of the German Agrarians is the Prague daily *Deutsche Landpost* which was originally published at Česká Lipa. In the House of Deputies the German Agrarian party has 24 deputies (as compared with the previous 13 German deputies and 3 Magyar small farmer deputies), whilst in the Senate it has 7 seats (the same number as previously).

Apart from the *Communists* who form one party with the Czech Communists and who have their positions particularly in the district of Liberec, the German Socialists consist mainly of the *German Social Democrats*. Their programme also is Marxist. Whereas, however, the Czech Social Democrats have followed in the whole of their policy a line which, as far as the programme is concerned, may be compared with the tendency of the Social Democrats in Germany (the tendency of the Second International), the German Social Democrats of Czechoslovakia have followed the traditions of Austrian Social Democracy (the Second and a Half International). The differences thus manifested have found practical expression and support in the national policy of the two parties. Whereas the Czech Social Democrat party took the side of the Czech people and carried out, in common with the other Czech parties, a nationalist revolution and participated, after its success, in the construction of the young State, the German Social Democrat party was thrown, in consequence of the result of the War and of the above-mentioned revolution, on the other side: it defended, together with the German nationalist parties, the idea of the self-determination of the Czech Germans and of opposition to the Czechoslovak State and its Government. After the political revolution of October 28, 1918 the German Social Democrats participated under their leader Seliger in the armed resistance of the Czech Germans to

the Czechoslovak Republic, and after the failure of this resistance they adopted the line of policy which they have followed ever since. They expressed their attitude to the State at their congress held in 1919 at Teplice when they declared the Czechoslovak Republic to be the product of the victory of the Entente and of imperialism, and described the joining of the German districts to the Republic as a violation of the right of self-determination and the whole of the home and foreign policy of Czechoslovakia as counter-revolutionary. They declared also that in the State in which they were obliged to live they would fight for the destruction of the alliance with Entente imperialism, for the abolition of militarism and its being replaced by a militia on a territorial and nationalist basis, for the division of the State into areas according to nationality, and for the creation of complete self-government on the basis of nationalities. Since the Teplice congress they have not again formulated their demands and programmes in such sharp terms. Nevertheless they have not corrected them in principle. To a certain extent they are nearer to a co-operation with the Czechoslovak parties than are the German Bourgeois parties. Otherwise their organization is similar to that of the Czech Social Democrat party. It is based on a network of political and trade union organizations which in 1925 contained 231,516 members and have likewise organizations of women and young people, and their gymnastic and educational organiza-

tions, and have strong influence in the self-government. The German Social Democrat party is served by a number of provincial journals. As regards dailies, the party has the Prague *Sozial Demokrat* which is edited by Dr. Strauss and was established in 1920, the Teplice *Freiheit* and the Brno *Volksfreund*. Since the death of Josef Seliger, who exercised great authority, the leader of the party has been the Brno lawyer Dr. Czech who was born in Lwów in 1870. He is full of the national spirit of the Brno Germans, and it is owing to his influence that the German Social Democrats have not taken up a more common-sense attitude towards their Czech colleagues in the Czechoslovak State even in the eighth year of the existence of the Republic. In addition to Dr. Czech, great influence is exerted in the party by the trade unionists Adolf Pohl, who works amongst the miners, and Antonin Schafer who is active in the central organization of the German trade unions. Also Dr. Heller, a lawyer at Trnovany near Teplice, plays a considerable part in the leadership of the party; he belongs to the tendency which is more reasonable in nationalist matters. Prior to the appearance of the Communist party, the German Social Democrat party was the strongest German party. In the 1920 elections it obtained 689,589 votes for the House of Deputies and 31 seats and 593,344 votes for the Senate and 16 seats. In the 1925 elections it obtained only 411,040 votes for the House of Deputies and

therefore has only 17 Deputies and 9 Senators. Since the Hamburg congress the party has been represented in the Second International and has votes in addition to the Czechoslovak votes.

To a certain extent the Czech Socialist party is similar to the *German National Socialist* party which at one time attempted, like the just-mentioned Czech party, to paralyze international Social Democracy by organizing the workers on a national basis. Whilst, however, in the Czech camp the National Socialist party developed after the revolution of October 28, 1918 into a Socialist party, in the German camp the National Socialist party has come closer to the bourgeois elements of the community than to the Socialists, this being true not only in regard to its programme but also its political practice. In the 1920 elections the party presented a list of candidates in common with the National party and so obtained five seats in the House of Deputies, but in the 1925 elections it acted independently and obtained 168,278 votes, securing 7 seats in the House of Deputies and 3 in the Senate. Whilst in the 1920 elections it was, nationalistically and politically, on the extreme Right of the German camp, in the 1925 elections its position was rather with the political activists, amongst whom are included the German Agrarians and Christian Socialists. The future will show whether this is to be the permanent orientation of the party. Its main leaders in the old House of Deputies were the railway official Jung (born in 1882) of Opava,

chairman of the organization of German railway officials, and Hanuš Knirsch, the secretary of the party and the editor of its daily, the *Duchcov Tag*; he was a deputy in the pre-War Austrian Parliament and was born in 1877. In agreement with the whole of its organization, both the leaders of the party followed an irredentist policy and frequently spoke also at meetings abroad, especially at the congresses of the German aggressive nationalist associations in order to fight in the Pan-German sense against the Czechoslovak Republic.

The *Christian Socialist* Conservative group of the German minority is represented by the German Christian Socialist party. It is similar to the Czech Populist party and according to its political conduct particularly in the year 1925, it may be described as the most moderate German party in regard to nationalist matters and also the most activist. Like the corresponding Czech party, it recruits its members from the country districts but also from the town population which on the whole continues the traditions which the Christian Socialist Catholic party used to have in the old Austria amongst the German electorate. Like the Czech party it has a widespread network of organizations, but its press is weak. It was not until 1924 that it established in Prague its main organ, the daily *Deutsche Presse*. In addition to this it has in Litoměřice the daily *Tagespost* and in Brno the *Tagespost für Mähren und Schlesien*. The most important men in the party

are Deputy Josef Bohr, the chairman of the Club, Senator Ledebour-Wicheln, and Deputy Mayer-Harting. The first of these was born in 1862 and used to be a deputy in the Bohemian Diet. He is the editor-in-chief of the *Warnsdorfer Volkszeitung*. Ledebour-Wicheln is a big landowner and a former nobleman. Born in 1873, he likewise used to be a deputy in the Bohemian Diet. To-day he plays a considerable part in the campaign conducted by the German minority against the Czechoslovak Land Reform. Mayer-Harting was born in 1874 at Vienna. He is a professor at the German University of Prague and is one of the most judicious and serious-minded German politicians. Since the 1925 elections the German Christian Socialist deputies have included in their number Dr. Medinger who used to belong to the German National party but left it when he was placed at the head of the German League of Nations' Union and in its name was obliged to negotiate outside the frontiers of the Republic.

Since 1920 the strength of the German Christian Socialist party has grown considerably. As compared with the 212,913 votes, 9 deputies and 4 senators that it obtained as a result of the 1920 elections, it obtained in the 1925 elections a total of 314,440 votes, on the basis of which it secured 13 seats in the House of Deputies and 7 seats in the Senate.

B. MAGYAR MINORITY.

The party configuration of the Magyar minority is similar to that of the remainder of the population of Slovakia. It consists of three main political groups: the National Agrarians, the Socialistic workers, and the Christian Socialists. The number of Bourgeois Liberals is very small. This is due to the fact that Slovakia has really no large towns and that the well-to-do elements are chiefly village-landowners and farmers. This party configuration with its absence of town-dwelling Liberals has its parallel also in Hungary where the Liberal camp is still relatively weak and is of quite recent development.

Together with the Christian Socialists amongst the Slovak Magyars, the Agrarian camp fulfils the function of a *nationalist camp*. It was first represented by the Magyar Small Farmers' party which included the Magyar industrialists, in as far as one may speak of them, and also the traders and artisans. In order that expression might be given to the predominance of the nationalist factors in the policy of the party and of course also to the variegated character of the membership which was not limited merely to the farmers, the party called itself the Magyar *National* party and under this name participated in the elections of November 1925. At the congress held at Lučenec on 7 December 1925 this change was to have been approved and the Small

Farmers' party formally liquidated and replaced by the National party. At the congress there were elements, however (Dr. Mohács in particular), that urged the necessity for the maintenance of the small farmers' group within the framework of the new party, and as a result of their arguments it was decided that there should be no real official liquidation. It is possible, therefore, that in the course of time there may be a movement for an independent constitution of a Magyar Agrarian party. The Small Farmers' party, which to-day is nationalist, has so far maintained a negative attitude towards the Czechoslovak Republic. Even irredentist elements have worked in its ranks. In as far as it has given recent expression to its political opinions, it appears to have left the stage of negative policy towards the State and to be searching for a concrete programme in the watchwords of autonomy, not having yet achieved unanimity in the matter of their demands for the territorial autonomy for Slovakia (Hlinka's demand) and urging rather that there should be merely a cultural autonomy for the Magyar minority. In the last Parliament it had two deputies; Josef Szentivanyi and Kalman Fussy, and one senator. In the 1920 elections the party presented its list of candidates independently and obtained 26,520 votes. In the 1925 elections it combined with the German Agrarian party and obtained for itself 109,468 votes in Slovakia and 29,102 votes in Carpathian Ruthenia. It has six deputies in the House of Deputies. It is

obviously a question not only of Magyar but also of German votes, for the German minority in Slovakia amounts to 139,900 persons. Amongst the leaders of the Magyar National party, the foremost position is occupied by Deputy *Szentivanyi*. A landowner of the district of Gemer, he is an official in numerous Magyar agricultural institutions in Slovakia. The organ of the party is *Barázda* and politically the party is served also by the Prague *Magyar Hírlap*, which is published by the so-called Association of Magyar Oppositional parties that was founded by the Magyar National and Christian Socialist parties with a view to defending the interests of the Magyar minority. It has worked up material on the alleged oppression of the Magyar minority and has made use of it both inside and outside the State. The Association is directed by Dr. Flachbart who is also secretary of 'the Magyar League of Nations' Union. A small section of the Magyar farmers, particularly in Žitný Ostrov, forms a group which acts in common with the Czechoslovak Agrarian party and has Csányk as its leader.

The *Magyar Christian Socialist* party is otherwise founded on the same lines as the Christian Socialist parties of other nationalities. It has purely Magyar nationalist features and, in view of the weight possessed by the Christian régime and the parties in neighbouring Hungary, it is influenced directly and indirectly by Magyar Nationalist cur-

rents much more strongly than is the Small Farmers' party or the National party. In the old Czechoslovak House of Deputies it had four seats. At the head of its Parliamentary Club was Dr. János Jablonitzky, but the real leader was Dr. Lelley, a lawyer of Nitra who was born in 1890. In the 1925 elections, when the party obtained 98,383 votes as against the former 139,355, it again secured four seats in the House of Deputies and two in the Senate. This time its leader was the landowner Géza Szüllő, who was a well-known Magyar politician in the time of Hungarian rule. In old Hungary he was the founder of the Popular party; later he was active in Tisza's National party and he was also a member of the Hungarian Delegations. He has considerable connections abroad, and as chairman of the Magyar branch of the League of Nations Union, he frequently travels abroad to attend international congresses. He was also one of the conveners of the International Minority Congress which was held at Geneva in October 1925. On the whole his views are irredentist. The chief organ of the Magyar Christian Socialist party is the *Pragai Magyar Hírlap*, whilst in Slovakia its organ is the *Kassai Ujság*. The party endeavours to assume an international veneer and has created within its framework various nationalist sections including a Slovak section. One of their parliamentary deputies, Mikuláš Fedoř, is at bottom a Magyarophil Slovak. In comparison with the 1920 elections the position

held by the party has been weakened by the fact that, owing to personal and material disputes, its former leader, Dr. Lelley, left the party and attempted to build up a new one. He presented an independent list of candidates in the administrative districts of Nové Zámky and Turčanský Sv. Martin, but here he obtained no more than 17,285 votes which number was of course insufficient for a parliamentary seat to be assigned. After this failure it was decided at a meeting of this fraction of the Western Slovak Christian Socialist party, as the party was now called, to throw over Dr. Lelley as a leader, and the remaining leading party workers retired for the time being from political life, being desirous of waiting for a more suitable time to continue their activity. Also the two organs of the party, the German weekly *Deutsche Zeitung* and the Magyar *Nepakarát*, suspended publication.

The Socialist camp in the Magyar minority in Slovakia and Carpathian Ruthenia was represented mainly by *Social Democrats*. In the 1920 elections the Magyar and German Social Democrats put forward candidates in common in Slovakia and obtained 108,546 votes and 14 seats in the House of Deputies. The split in the Social Democrat party caused by Communist influences very seriously affected, of course, also the Magyar party, dividing it into Communists and Social Democrats, who however did not remain united but were divided up again into independent and official fractions and lost one

position after another both to the Communists and also to the Magyar non-Socialist parties. In the 1925 elections no independent list of Socialist candidates was presented in Slovakia. The German and Magyar Social Democrats used therefore the list of candidates of the German party in the Republic which obtained in the whole of Slovakia only 5098 votes, so that one may say that the Magyar Social Democrats showed a complete decline. The Magyar Socialist camp is really represented by the Communists who have three Magyar deputies from Slovakia and Carpathian Ruthenia.

C. POLISH MINORITY.

The Poles in the Czechoslovak Republic are all concentrated in the district of Moravská Ostrava and according to the 1921 census numbered 75,656. For the most part they are miners in the Moravská Ostrava coalfield, but a small section of them are farmers and small traders, the intelligentsia being in the Czechoslovak part of the Těšín (Teschen) district.

Politically they are divided into the *Populist party*, which contains all the non-Socialists and represents a kind of Polish nationalist group in the Czechoslovak Republic, and the Socialists (Communists and Social Democrats). The Communists belong to the international Communist political and trade union organizations, whilst the Polish Social Democrats form

an independent party of the Second International. They support in principle the Czechoslovak Republic and endeavour to arrive at an agreement with their Czech colleagues with a view to the satisfying of the nationalist and cultural needs of the Polish workers and of the Polish minority in general. Also the Polish Populist party supports in principle the Czechoslovak Republic and endeavours in particular to satisfy the educational needs of the Poles in the Republic.

In the 1925 elections after long negotiations a single electoral *bloc* was formed of the Social Democrats and the Populists. In presenting its list of candidates the *bloc* called itself the Polish Union of Populists and Workers. It obtained 29,884 votes, on the basis of which it secured one seat in Parliament. The deputy elected is Dr. Leon Wolf of Frenštát. He is a politician of moderate views despite his Polish national feeling. He represented the Polish minority in Czechoslovakia at the International Minority Congress in Geneva where he very clearly showed his loyalty to the Czechoslovak Republic. In the Prague House of Deputies he is a reserve member of the parliamentary club of the Czechoslovak Agrarian party and will make his decisions on political affairs according to circumstances. One of the deputies of the Communist party is also a Pole, the miners' leader J. Petr. The Polish minority has, therefore, two representatives in the Prague House of Deputies.

The Polish Populist party is served by the weekly *Dziennik Cieszynski*, whilst the Social Democrats have the daily *Robotnik Śląski* and the Fryštát weekly *Tygodnik*.

D. JEWISH MINORITY.

The census shows that in Czechoslovakia there is a Jewish minority of 180,332 persons,*) the greater part of whom are in Carpathian Ruthenia and in Slovakia. Politically they are divided into two main groups which differ much more in religious than in economic or political respects. The *Sionist Jews* are politically more progressive and the *Orthodox Jews more Conservative*. The main political aims of the Sionists consist in the safeguarding of Jewish cultural development in the Czechoslovak Republic, particularly as regards schools with Hebrew as the language of instruction, whilst the Orthodox Jews defend their economic rights in Slovakia and in Carpathian Ruthenia. On the whole both categories maintain a positive and loyal attitude towards the Republic. On the occasion of parliamentary elections a considerable number of Jews vote as a rule for the Czechoslovak or German parties; so far the attempts to arrive at an independent representation of the Jews in Par-

*) The number of persons of Jewish religion is considerably higher and is estimated at 354,342 or 2.6% of the whole population.

liament have not succeeded. In the 1920 elections the combined Jewish parties obtained 79.714 votes, and in no electoral district was a sufficient number of votes obtained to allow of a seat in Parliament being assigned (on that occasion elections were not held in Carpathian Ruthenia). In 1925 attempts were made to present a single list of Jewish candidates under the leadership of the Zionists, but in the November elections of that year no more than 98.793 votes were obtained in all parts of the Republic. In no single electoral district was the requisite number of votes secured, for in Carpathian Ruthenia where the largest hopes were to be found, the Conservative Orthodox Jews opposed a united list of candidates and submitted their own list with the title of Jewish party. The Zionists secured in Carpathian Ruthenia 19.121 votes and the Agricultural party 11.717. In consequence of this the Jews failed to secure a single seat in Parliament.

The leader of the Zionist Jews, who predominate also in the Jewish League of Nations Union, is Dr. Sternbach, a medical man of Mukačevo (Carpathian Ruthenia). Dr. Spiegel, a lawyer at Mukačevo, has likewise great influence, together with Dr. Singer of Prague who is a member of the Prague City Council. The organ of the party in Carpathian Ruthenia is the weekly *Zsidó Naplap*. The Jewish Conservative party has its centre in Užhorod, its leader being Koloman Weisz, a business-man of Užhorod.

**TABLE OF POLITICAL PARTIES OF NATIONAL MINORITIES
ACCORDING TO THE 1925 ELECTIONS (I).**

	Bohemia	Moravia and Silesia	Slovakia	Carpathian Ruthenia	Total	Votes in %	Number of Deputies and Senators
1. German National Party	160.255	77.222	3.402	—	240.879	3.4	10
	145.718	67.455	5.458	—	214.589	5.5	5
2. Bund der Landwirte	521.166	111.462	109.468	29.102	571.198	8	24
	281.877	100.441	96.967	26.512	505.597	8.5	12
3. German Social Democrat Party	517.251	88.691	5.098	—	411.090	5.8	17
	279.259	80.171	3.900	—	363.310	6	9
4. German National Socialist Party	118.844	49.454	—	—	168.278	2.4	7
	99.584	40.561	—	—	139.945	2.5	3
5. German Christian Socialist Party	199.028	115.412	—	—	314.028	4.4	13
	184.727	104.528	—	—	289.055	4.7	7
6. German Progressive Party	11.567	—	—	—	11.567	0.2	—
	—	—	—	—	—	—	—

TABLE OF POLITICAL PARTIES OF NATIONAL MINORITIES
ACCORDING TO THE 1925 ELECTIONS (II.).

	Bohemia	Moravia and Silesia	Slovakia	Carpathian Ruthenia	Total	Votes in %	Number of Deputies and Senators
7. Magyar Christian Socialist Party	— —	— —	98.383 85.777	— —	98.383 85.777	1.4 1.4	4 2
8. Magyar Peasants' Party	— —	— —	4.512 4.050	— —	4.512 4.050	0.1 0.1	— —
9. Western Slovak Christian Socialist Party (Dr. Lelley)	— —	— —	17.285 17.521	— —	17.285 17.521	0.2 0.3	— —
10. Polish Union of Populists and Workers	— —	29.884 25.746	— —	— —	29.884 25.746	0.4 0.4	1 —
11. Jewish Party	22.317 —	18.391 —	38.424 32.710	19.121 18.803	98.793 50.513	1.4 0.9	— —
12. Jewish Agricultural Party	— —	— —	5.144 —	11.717 —	16.861 —	0.2 —	— —

CARPATHIAN RUTHENIA.

The conditions of party politics in Carpathian Ruthenia are much complicated by the fact that in addition to the Ruthenian majority this country is inhabited also by Magyars, Germans, Jews and Czechs*)—who in many cases have their own independent parties. The chief cause of complication, however, is the fact that the Carpathian Ruthenian people is politically immature and primitive and that the religious and language factors, which appear in the form of Greek Catholic and Orthodox tendencies on the one hand and of Great Russian and Ukrainian tendencies on the other, co-operate to promote party differentiation. Co-operation with the Czechs and the political predominance of the Czechs who carry on activities in Carpathian Ruthenia, together with the electoral system which, on account of the regulation regarding the requisite number of votes for the assignment of a parliamentary seat, condemns small parties to failure—all this has given to the development of party politics in Carpathian Ruthenia a tendency which leads the local Ruthenian parties to seek amalgamation with corresponding Czechoslovak parties in as far as it is a question of the remaining minorities together with the Magyar and German etc. parties concerned. In this way the differentiation

*) According to the 1921 census there were in Carpathian Ruthenia 370,368 Ruthenians, 103,791 Magyars, 79,915 Jews, 21,853 Czechs, 10,348 Germans, 11,724 Rumanians and others.

of the political parties in the country is considerably simplified. It seems, however, that this co-ordination of the party differentiation in Carpathian Ruthenia with the differentiation in the other regions of the Republic will never be complete and that it will be limited until Carpathian Ruthenia has an independent Diet and until the creation of parties in accordance with purely local interests is supported by the interests of a policy of territorial autonomy.

If we take as a basis the four main types of Czechoslovak political parties and classify the Ruthenian parties of Carpathian Ruthenia in accordance with them, the situation appears as follows: the Bourgeois camp is not represented by any political party. This naturally follows from the fact that the country is entirely agricultural and that the Carpathian Ruthenian population consists, with insignificant exceptions, of poor agriculturists and workers. The towns in Carpathian Ruthenia are small and of a rural character, whilst the educated class is composed for the most part of Jews, Magyars and Czechs.

Prior to the 1925 elections, the National Democrats attempted to build up in Carpathian Ruthenia their organization, but in the elections they obtained only 3074 votes which were mostly those of the Czech officials living in the country. These officials constitute practically all the members of the National Democrat organizations established in Carpathian Ruthenia.

The Agrarians are represented by two Carpathian Ruthenian parties. In the first place there is the *Republican party of the Czechoslovak rural districts*—a party arising from the amalgamation of several home parties—which has a solid position as is evident from the fact that in the 1925 elections it obtained 34,916 votes, two seats in the House of Deputies, and one in the Senate. A certain number of Czechs are included in the party. Amongst the leaders of the Carpathian Ruthenian people are Dr. P. Petrigalla, mayor of Mukačevo, Jurgo Balogh, an agriculturist at Velké Lúčky, and Dr. Josef Kaminský who is chairman of the party and a certain time was its deputy. Recently a leading part has been played by Agoston Stefan who used to be Commissar for the country under the Bolshevist régime and, after a long stay outside Czechoslovakia, returned to a realist Carpathian Ruthenian policy.

The Republican party endeavours to raise the economic level of the Carpathian Ruthenian agricultural population and has already done much work in this direction by furthering the Land Reform and paying attention to the development of agricultural co-operation societies. The organ of the party is the Carpathian Ruthenian *Karpatoruský Věstník*, the editor of which is Dr. Kaminský.

The second Carpathian Ruthenian agricultural party is the *Autonomous Agricultural Union*, which came into existence as an opposition party by secession, soon after the amalgamation of the Carpathian

Ruthenian parties into the Republican party subsequent to the communal elections in 1924. The main watchword in its programme, and the one on which it founded its programme, is immediate autonomy for Carpathian Ruthenia and the replacing of the Czech officials in that country by local officials. In this sense the party is a parallel to the Hlinka party in Slovakia. The main founder and leader of the party is the one-time teacher Jan Kurtiak, to-day an agriculturist at Hust, who, on the occasion of the first elections in Carpathian Ruthenia, was elected deputy. He leads the party in an anti-Czech and indeed anti-State spirit and is strongly under the influence of Magyar propaganda. On one occasion he appeared before the League of Nations with a complaint against the Czechoslovak Government. At the first elections in Carpathian Ruthenia the Kurtiak party obtained 21,117 votes, whilst on the occasion of the 1925 general election it gained 28,799 votes in the Užhorod district and 6,875 in the Prešov district in Slovakia, making a total of 35,674, on the basis of which it obtained one seat in the House of Deputies and one in the Senatē. The party is served by its official organ, the *Ruský Věstník*, whilst unofficially it is served by the Magyar journal *Karpati Hirado*, which is published at Užhorod. In addition to the extreme oppositions and rather Magyarophil currents there are in the party also more moderate tendencies which are supported by the agriculturist Michal Demek. The one-time chair-

man of the party, Ivan Močkoš, has already left the party, and has attempted without any very great success to found a new party under the name of the Autonomous Agricultural party.

The Socialist camp in Carpathian Ruthenia is represented, as is the Czechoslovak Republic generally, by Communists and Social Democrats. Both groups have been mentioned already in connection with the discussion of the parties concerned with which they form a strong organizational unity. Up to the present the Communists have been the strongest party although since 1924, when they obtained over 100,000 votes, their numbers have dropped by one quarter to 75,669 votes. The Social Democrats gained 18,183 votes and again one mandate as compared with the three Communist ones. In view of its co-operation with the Czechoslovak Socialist party, the Carpathian Ruthenian Labour party should be included in the Socialist camp. Like all the other Socialist groups of the country it is a party of small agriculturists and differs from the other parties chiefly by the fact that it has a pronounced Great Russian orientation, demanding not only the introduction of the Great Russian language into the schools but also of the Orthodox religion. The main personality in the party is Dr. Andrej Gagatko, a lawyer at Užhorod, who was elected deputy at the first elections in Carpathian Ruthenia. In the 1925 elections the party obtained 15,571 votes and, being included in the

list of candidates of the Czechoslovak Socialist party, again secured one mandate. The party is served by the weekly *Ruskaya Zemlya*, which is edited in the Great Russian spirit by N. Zurkanovič and D. Simulik.

In Carpathian Ruthenia the Christian Socialist party is represented by the so-called *Ruthenian Chliborobská party*, although religious questions do not play a greater part in it than in the other parties because all the Carpathian Ruthenian parties must respect the religious feelings of the people. It has received this name because it is directly led by priests and because it co-operates with the Czechoslovak Populist party. The Chliborobská party is Ukrainophil, supports the use of the popular language of the country in the schools, whilst in religious matters it is opposed to Russian Orthodoxy and is in favour of the Greek Catholic Church — to which a considerable number of its members belong as priests. The party has always worked very intensively in educational matters and endeavours to raise the economic and cultural knowledge of the people by means of the most varied educational institutions. At the head of the party is Augustin Vološin, director of a pedagogical institution at Užhorod, who himself published some years ago the informative journal *Nauka* and was an "awakener" of the Carpathian Ruthenian people. Important places in the party are occupied also by the brothers Michal and Julius Braščajka, both lawyers,

one of whom took a great part in the political awakening of Carpathian Ruthenia, whilst the other worked in a similar way for an economic awakening in his capacity as official in numerous agricultural undertakings in the country. Both are workers of the Czech Realist type rather than the Conservative Catholic type. After the party drew towards the Czechoslovak Populist party, Michal Braščajka and the important agricultural expert Dr. Hrabar retired into the background. In the 1925 elections the party obtained only 7,402 as compared with 10,717 votes in the preceding elections. This is due to the fact that it is a party which prefers small detailed work and falls behind other parties in electoral propaganda. The organ of the party is the journal *Svoboda*, to which articles are contributed by Vološin and Viktor Želtvay, professor at the Greek Catholic seminary.

We have already referred to the Magyar parties of Carpathian Ruthenian in discussing the parties of the Magyar minority.

TABLE OF POLITICAL PARTIES IN CARPATHIAN RUTHENIA
ACCORDING TO THE 1925 ELECTIONS (I).

	Number of votes to House of Deputies and Senate	Votes in %	Number of Deputies and Senators	Names of Deputies and Senators
1. Czechoslovak National Demokrat Party	3.074 3.612	1'3 1'7	— —	
2. Republican Party (Agrarians)	34.916 34.440	14'2 16'6	2 —	Dr. Stefan, Dr. Králík
3. Autonomous Agricultural Union (Kurtiak)	28.799 24.614	11'7 11'8	1 —	Jan Kurtiak
4. Czechoslovak Social Demokrat Party	18.183 13.853	7'4 6'7	1 —	Nečas
5. Czechoslovak Socialist Party (Labour Party)	15.571 14.469	6'3 7	1 —	Dr. Gagatko
6. Communists	75.669 63.466	30'8 30'5	3 2	Dr. Gató, Mondok, Sidorjak, Bodnar, Ruščuk

TABLE OF POLITICAL PARTIES IN CARPATHIAN RUTHENIA
ACCORDING TO THE 1925 ELECTIONS (II).

	Number of votes to House of Deputies and Senate	Votes in %	Number of Deputies and Senators	Names of Deputies and Senators
7. Independent Communists	1.095 —	0'5 —	— —	
8. Czechoslovak Populist Party (Chliborobi)	7.402 7.051	5 3'4	1 —	Vološin
9. Bund der Landwirte	29.102 26.312	11'8 12'6	1 1	Dr. Korláth, Egry
10. Jewish Parties	19.121 18.805	7'8 9	— —	
11. Jewish Agricultural Party	11.717 —	4'8 —	— —	
12. Carpathian Ruthenian Traders' Party	1.094 1.438	0'4 0'7	— —	

CONCLUDING COMPARISONS.

The complete freedom of the citizen in regard to political life and the right to form associations and organize public meetings, and the democratic electoral system in Czechoslovakia render possible the full development of the differentiation of party politics in the direction of nationalistic and class politics and political tactics. It is of course natural that all the factors determining party differentiation manifest themselves in every modern State and therefore also in Czechoslovakia, so that no true survey of the differentiation of the parties can be made unless attention is paid to all these factors.

As is evident from the account already given, the nationalist distribution of the political parties is established by the existence of international parties, above all the Communist party—which is centralized and, owing to its having no nationalist sections, allows of only guesses being made as to its nationalist composition,—and also by the grouping of the parties of the various nationalities into electoral *blocs* based on class factors. If we try to ascertain the relations between the different nationalities as shown in the political parties and the numbers of the votes registered in the last (1925) elections, we must keep both factors in view. If we take into account the fact that all the votes registered in Slovakia and Carpathian Ruthenia for the German parties (Bund der Landwirte) were mainly

Magyar votes, and if we take into consideration also the votes given to the Czechoslovak parties in Carpathian Ruthenia, votes which were registered mainly by Ruthenians, we arrive at the following picture of the general situation of the nationalist camps at the elections:

The Czechoslovak parties obtained a total of	4,077.613 votes
The German parties obtained a total of	1,581.024 votes
The Magyar parties obtained a total of	258.750 votes
The Polish parties obtained a total of	29,884 votes
The Jewish parties obtained a total of	115.654 votes
The Ruthenian parties obtained a total of	105.965 votes

The Communist party obtained 933,711 votes which would have to be divided according to the nationalities for the above picture to be complete.

If we consider the number of mandates secured by the various parties on the basis of the last elections, we obtain the following picture. Of the 300 seats in the House of Deputies,

the Czechs and Slovaks obtained	204 (68.1%)
„ Germans obtained	73 (24.3%)

the Magyars obtained	13	(4.3%)
„ Carpathian Ruthenians obtained	8	(2.7%)
„ Poles obtained	2	(0.7%)

Amongst the 41 deputies of the Communist party there are, according to the statistics of this party 27 Czechoslovaks, 8 Germans, 3 Magyars, 2 Ruthenians and 1 Pole.

If the 300 seats in the House of Deputies were assigned to the various nationalities in the Republic in the ratio of their strength it would be found that the Czechoslovaks would have 198 seats, the Germans 70.5, the Magyars 16, the Carpathian Ruthenians 10, the Poles 1.5 and the Jews 4.

It is clear, then, that the actual distribution corresponds in great measure to the above. The small differences as regards the Jews and Magyars may be explained by the fact that a section of the Jews voted with the Czechoslovak and German parties and in addition to this deprived themselves of at least a minimum representation by reason of their lack of unity, and also by the fact that a section of the Magyars likewise voted for the Czechoslovak and German parties, that is to say, for the Hlinka party and the Republican party (the group of Magyar Republican Agriculturists) and for the German Social Democrats.

If we take as our basis the fact given in the present investigation, the class differentiation in the Czechoslovak Republic appears, as far as

votes and mandates are concerned, and without regard being had to nationalities, as follows:

Bourgeois bloc	with 1.008.576	votes and 37	mandates
Agrarian	„ 1.722.972	„ 70	„
Socialist	„ 2.760.972	„ 122	„
Conservative Cath.	1.612.765	„ 71	„

It is evident that all these blocs are not equally united and that therefore it is not possible to take them as a basis for any kind of deductions. This refers in particular to the Bourgeois bloc which contains nationalist groups that could be harmonised only with difficulty, and also to the Socialist bloc which includes the Communists, whose co-operation with Social Democrats is very problematical.

As far as concerns the *relation to the Švehla Coalition Government* and the Černý Ministry, the party differentiation is as follows:

The parties forming the Švehla Government*) of

*) On the basis of the parties grouped in the Coalition, the second Švehla Cabinet (of December 9, 1925) was formed as follows: Prime Minister: Dr. Ant. Švehla; Minister of the Interior: Dr. Nosek; Minister of Finance: Dr. Engliš; Foreign Minister: Dr. Beněš; Minister of Commerce: M. Dvořáček; Minister of Public Works: M. Rudolf Mlčoch; Minister of National Defence: M. Jiří Stříbrný; Minister of Agriculture: M. Hodža; Minister of Justice: Dr. Viškovský; Minister of Posts and Telegraphs: Dr. Šrámek; Minister of Social Welfare: Dr. Winter; Minister of Public Health: M. Al. Tučný; Minister of Food Supplies: Dr. Dolanský; and Minister for Slovakia: Dr. Kallay. The Minister of

December 1925—March 1926: the National Democrats, Agrarians, Czechoslovak Social Democrats, Czechoslovak Socialists, Populists party and the Czechoslovak Traders party) possess altogether 3,472,381 votes and 159 mandates and, together with the Polish deputy Wolf, 160 mandates.

The Opposition parties have 3,282,307 votes and 140 mandates.

These figures do not include the votes of the small parties which did not obtain a mandate and which have an attitude to the State and Government which is either uncertain or in no way oppositional.

Unification was Dr. Dérer. As is evident from the above the Agrarians had 4 seats in the new Government, the Czech Socialists 3, the Populists 3, the Social Democrats 3, the National Democrats and the Traders 1 each. Two portfolios (Finance and Slovakia) are occupied by non-party officials.

CONTENTS:

	Page
Historical sketch of the political parties	5
The social, ethnical and religious composition of Czechoslovakia. (Table 1)	18
<i>The Czechoslovak parties:</i>	
I. Bourgeois parties (Liberals)	20
II. Agrarian parties	31
III. Socialist parties	38
IV. Conservative parties	53
The Czechoslovak parties according to the 1925 election results. (Table 2)	63
<i>Political parties of the ethnical minorities:</i>	
A. German minority	65
B. Magyar minority	78
C. Polish minority	83
D. Jewish minority	85
General view of the political parties of the ethnical minorities. (Table 3)	87
Carpathian Ruthenia	89
Political parties in Carpathian Ruthenia. (T. 4)	96
Concluding comparisons	98



AUSTRIA

and its

ECONOMIC EXISTENCE

—

AUSTRIA

and its

4

ECONOMIC EXISTENCE

by

Dr. A. BASCH and J. DVOŘÁČEK



PRAGUE
ORBIS PUBLISHING CO.

1925

All rights reserved

COPYRIGHT
BY ORBIS PUBLISHING COMPANY

Published September 1925

PRINTED IN CZECHOSLOVAKIA

FOREWORD.

In view of the importance of the economic problem of Austria and the significance that the solution of this problem has for Czechoslovakia, the publishers invited the authors to compile a survey of the main features of this question for the information of the general public.

The authors have therefore restricted themselves to a review of those features of the problem which they considered the most important from the standpoint of the object of the book. Such a work as this cannot, of course, exhaust the whole subject, and some of the questions will be dealt with in greater detail elsewhere.

Prague, 10. August 1925.

A. Basch.

J. Dvořáček.

Doc. Dr. A. Basch:

**THE ECONOMIC SITUATION
OF AUSTRIA**

THE BASES OF AUSTRIA'S NATIONAL ECONOMY.

I.

INDUSTRY.

According to the last census Austria, with an area of 83,833 square kilometres has a population of 6,535,759, so that there are 78 inhabitants to every square kilometre. The Austrian Republic is a federal State, composed of 9 states: Vienna, Lower Austria, Upper Austria, Salzburg, Styria, Carinthia, the Tyrol, Vorarlberg and Burgenland. From an economic point of view Austria may be characterized as a *country with a varied and well-developed industry which to a large extent works for export; with an agriculture that in some branches of production can largely meet home consumption and in others can also maintain an export trade; with a commerce very well developed, especially in regard to international trade with the Levant and the Orient generally; with banks that by their importance and extent of capital far surpass the significance of the banks of a small State; while finally, Austria possesses the best conditions for a developed tourist traffic. Austria is not, then, as is often erroneously said, an economically poor State, but one with very considerable economic assets ensuring it a sound economic existence and prosperity.*

Of the population of Austria more than 50% are active earners. According to the census of 1910, of the inhabitants of present Austria (exclusive of Burgenland) engaged in earning their living 40% were

occupied in agriculture and forestry, 35% in industry and trades, 17% in commerce and transport, 8% in the public services and the liberal professions. Of the population of Burgenland, 64.14% of all earners were occupied in agriculture and forestry, 15.85% in industry and trades, 4.14% in commerce and transport, 13.53% in home work, and 2.34% in the public services and the liberal professions. In the year 1923 a census of all the economic undertakings in Austria (exclusive of Burgenland) was taken with the following result: of all earners, 52.84%, or 1,396,260 were engaged in agriculture, and 47.16%, or 1,246,324 persons were engaged in industry, trade, transport and commerce. As numerous categories of employed persons (as for example railwaymen and the employees of the Post Office and other public services) as well as those following the liberal professions, etc., were not ascertained on the occasion of this census, it is not possible to make use of its results with confidence.

In Austria, then, more than one-third of the earners are engaged in industry and the trades. The magnitude and importance of the Austrian industry is best illustrated by a comparison showing what proportion is possessed by Austria of the industry of former Austria. Of the 17,000 factories and mills in former Austria, the present Austrian Republic possesses 37.6%, or 6,283. According to the census of undertakings made in 1902, 32% of all factory workers in former Austria are now employed in the factories of present Austria, and according to the statistics relating to accident insurance for the year 1912, 34.1% of all insured workers belonged to the Austria of to-day, while according to the statistics of the workers' sick clubs of the year 1912 the figure was 35.6%. According to the last general census of 1920, the number of persons engaged in industry and the trades in Austria (exclusive of Burgenland) was 1,026,004, while in Burgenland in 1923 the number was 27,902, thus making together a total of more than 1,050,000.

The main branches of Austrian industry are based upon two raw materials found in the country itself, namely, *iron* and *timber*. The largest number of workers is employed in the metallurgical trade which, including the engineering trade occupies about 21% of employed persons (including those employed in commerce, banking, etc). Austria has her own iron ore, the full pre-War output of which averaged 20,000,000 quintals. After the War, in 1920 the output was 4.35 million quintals; in 1922, 11.124 millions; in 1923, 12.111 millions. In the second quarter of 1925 the output of iron ore was 3,198,994 quintals, and was thus in excess of the average for 1923. Of other minerals obtained in Austria, special mention should be made of magnesium, the output of which in 1913 was 220,000 tons and of which Austria accounts for 74% of the output of the former Austro-Hungarian Empire. Austrian magnesium is in good demand in the world's market on account of its excellent quality. The output of copper ore in 1922 was 419,000 quintals; in 1923, 679,857 quintals, and in 1924 it was 759,120 quintals. The output of lead ore in 1923 was 65,902 quintals; in 1924, 64,493 quintals, while the corresponding figures for zinc were 11,678 and 10,947 quintals respectively. Of the former Austrian output of pig iron, the present Austria's share is some 5.5 to 6 million quintals. The post-War output in 1920 was 99,800 tons, in 1922, 321,000 tons; in 1923, 342,000 tons. The output of steel in 1920 was 198,500 tons, in 1922, 480,700 tons, in 1923, 499,400 tons. In the first quarter of 1925 the output of pig iron was 74,781 tons and that of steel 103,642 tons. The output of iron and steel is thus a good basis for the Austrian metal and engineering trades, besides presenting an opportunity for very considerable export, provided of course the competition of other countries can be successfully met.

With regard to the metal industry mention should be made of Austrian quality steel well-known in the world's markets. Austria also holds a good place with her output of rails, cables, fine plates, iron and bridge

constructions parts, cog-wheels, axles, drawn wire and large quantities of tools of all kinds. A speciality of the Austrian metallurgical industry is the output of scythes, sickles, screws, nails and scales.

The Austrian engineering trade is extensively developed. Present Austria possesses almost half of the 800 engineering concerns of former Austria. These include 5 locomotive works, 2 carriage building works, and works for the manufacture of locomobiles, steam engines, turbines, motors of every kind, lathes for the timber and metallurgical trades, working machines of every kind, machinery for the paper trade, textile machinery, agricultural machinery of good quality, flour-milling machinery, fittings, etc.

The automobile industry is well developed, and in 1923 the 8 automobile works which occupy 12,000 workers turned out 6,000 cars. A well-known Austrian industry is that of bicycle making, capable of turning out 60,000 machines per annum. Motor wheels are also made.

In the electrical industry present Austria possesses almost 80% of the industry of former Austria and that both in respect of high current output as well as of low current. Among the output may be mentioned: electrical machinery and instruments, telephone and telegraph apparatus, meters, installation material, insulation tubes. The lamp and bulb factories which employed 2,000 workers previous to the War, have now about 3,000 workers. There is also a good capacity for output in the cable-making branch. In the working up of the base metals Austria also takes a prominent part, turning out tin-plate, wire, plated goods, bells, lighting articles, "alpaka" ware (Krupp at Berndorf), etc.

The second standard industry in Austria is the *Timber and woodworking trade*. Austria possesses 275 steam sawmills and 5,196 sawmills driven by water power, and the export of timber from Austria is steadily rising. Of the articles turned out by the woodworking trade, railway sleepers, barrels, boxes and

parquet-flooring are the chief. Furniture making is well developed and carried on in 40 factories which turn out ware that is distinguished by special quality and artistic workmanship. The most extensive branch in this section is the paper trade, present Austria now accounting for about two-thirds of the industry as it existed in former Austria. In 1913 the output of present Austria was: 1.884.268 quintals of paper; 1.213.635 quintals of cellulose; 751.429 quintals of paper pulp; 700.450 quintals of cardboard. In 1924 Austria turned out 1.730.000 quintals of paper, that is, 92% of the pre-War production; 1.493.500 quintals of cellulose, or about 25% more than before the War. The output of paper in the first quarter of 1925 was 428.600 quintals, or 700 quintals more than in the first quarter of 1924. The export of paper in 1924 amounted to 964.500 quintals, that of paper goods to 58.400 quintals. Austria manufactures practically every kind of paper, including cigarette paper.

The stationary and printing trade is well developed, and writing paper, albums, account books and ledgers, chemical papers, cigarette papers, cardboard, playing cards, etc, are turned out. In the timber, paper and printing trades there are employed 14.1% of all persons engaged in industry and commerce.

The Austrian *Textile* trade is also very considerable, and including the clothing branch, occupies 15.9% of all Austrian workers and employees. The cotton trade has (out of the 4.600.000 spindles and 131.700 looms of former Austria) 1.171.000 spindles and 11.616 looms. The Austrian weaving mills have been extended and since 1919 some 5.000 new looms installed. The „improving“ branch of the cotton trade is strongly developed.

In the woollen trade Austria possesses 57.000 spindles spinning yarn, 133.000 for combing yarn and nearly 2.000 looms. Austria can now meet to the extent of one-third the home demand for cloth. Mention should also be made of the manufacture of felt and

felted cloth for the paper trade, of carpets and rugs. The jute trade has 16.500 spindles and the hemp trade 10.300.

In the silk trade Austria is prominent for her output of silk ribbon for which she possesses 1.300 looms, and for her silk fabrics made on 800—1000 looms. There is also a daily output of 4.500 kilogrammes of fine quality artificial silk. Hosiery and knitted goods made by 6.000 hands in 50 factories in 1913 are now turned out by 150 factories employing 25.000 hands. The linen branch is also well developed. The clothing and outfitting trade is of great importance, especially the output of women's clothes, Austrian models and ready-made goods being exported into all parts of the world. Between 6.000 and 8.000 hands are employed in making women's apparel. Men's and women's underlinen and neckties are an important item of export.

The Austrian hat industry is carried on in 20 factories employing some 3.000 hands. Straw hats are made in 8 factories.

Present Austria possesses almost 40% of the *Tanning and Leather* industry of former Austria. The main output is sole leather of which 2.500 waggons (1 wagon = 10 tons) are turned out annually and a considerable proportion exported. This industry is encouraged by the presence in the country of excellent and comparatively cheap kinds of tan. Leather bag and fancy goods are made in considerable quantity and of excellent quality, including articles de luxe, and the 10 factories employing 3.600 hands have attained what is practically the pre-War output. This industry is of importance mainly for the tourist traffic in the country, for a good quantity of the articles turned out are taken abroad by foreign visitors and do not appear in the statistics foreign trade. The boot and shoe trade increased its capacity during the War, so that it meets home consumption. The main export trade in this branch is done in fine quality footwear for ladies. The glove industry is also developing satisfactorily.

In the caoutchouc and rubber trade present Austria possesses about three-fourths of the industry of former Austria, but the production capacity is greater than before the War. The output includes pneumatic tires, rubber toys, rubber boots, hard rubber goods, etc.

The chemical industry employs 3% of all Austrian workers and employees and is one of the branches that have expanded and developed most largely since the War. The production of sulphuret of sodium, permanganate, starch, and numerous pharmaceutical products has been newly introduced, and the production of a number of others—superphosphates, artificial fertilisers—has been extended. Among the main items of output are 600 waggons annually of oxymuriatic acid, 2,000 waggons of sulphuric acid, 450 to 600 waggons of Glauber salts, 200—300 waggons of soda, 60 waggons of vinous acid, 600 waggons of vitriol, etc. Numerous chemical products are exported from Austria.

The enamel trade is carried on in 7 factories employing 2,500 workers and the home needs are fully met. This is also the case with the manufacture of matches. Powder and explosives are exported in considerable quantity.

The cement industry is on a high level of technique, the capacity being about 80,000 waggons. In 1924 the output was 36,000—38,000 waggons. An increase in the cement, lime and brick output depends on a betterment of building operations within the country and this in its turn is closely connected with the question of rents which will be discussed later.

In the glass industry which gives employment to 7,000 workers the manufacture should be noted of glass bulbs for electric lamps. In the porcelain branch the main output is of material for electric installation.

Of the agricultural industries the first place is occupied by the Sugar industry, in which output is steadily increasing. In 1922—23 the output only covered 22% of the home consumption, in 1924 this proportion had

increased to 32%, and in 1924—25 it exceeded 43%.

The beer-brewing industry likewise is increasing its production, especially that of better quality beer with a higher percentage of alcohol. In 1913—14 the breweries in present Austria turned out 6½ million hectolitres; in 1921—22 the figure was 3.371.037, and in 1923—24, 4.590.373 hectolitres.

The production of alcohol too is increasing and can to-day fully meet the needs of home consumption. In 1921 the output was 94.784 hectolitres, in 1924 it was 221.000 hectolitres.

The mineral wealth of Austria includes graphite, the output of which was 94.000 quintals in 1923 and 105.305 quintals were exported in 1924, gypsum, of which a considerable amount is exported, and salt, the output of which in 1913 was 1.290.000 quintals, so that the needs of home consumption can be fully met.

Among the disadvantages for Austrian industries may be mentioned the fact that the country itself has not a sufficiency of coal. It may, however, be pointed out that neither Switzerland nor Italy has coal and yet the industries of those two countries are growing. This question was of moment mainly at the time when a shortage of coal was felt also in other manufacturing countries, but it represents no obstacle when the coal market is normal. It may be emphasized in this regard that Austria nevertheless produces a considerable quantity of coal and that especially since the War the output has risen. Austria's coal output has developed as follows:

Year:	Hard Coal	Brown Coal
	(in thousands of tons)	
1913.	87	2.621
1919	90	2.007
1921	138	2.797
1923	158	2.659
1924	172	2.777
1925 Jan-Mar.	35.4	793

On the whole the output of coal is larger than before the War.

As a compensation for lack of coal Austria has, however, a vast quantity of water-power which could provide at comparatively low cost the necessary motive power for the industries. It is estimated that the potential water power of Austria (at low water) is 1.657.000 HP. of which, up to the end of June 1924, 439.000 was being actually availed of, while 134.000 HP was in course of construction. More than half the potential water power thus remains to be utilized. *On the whole, the natural conditions for Austrian industry are not other, and certainly not worse, than those for the industries of other countries.* As regards the imports of raw materials other than coal, the Austrian industries import almost the same raw materials as, for example, do the Czechoslovak industries and, to a large extent, the German industries too.

The development of Austrian industry was not checked by the fall of the empire. As will be seen from the following figures, the industrialisation of the country proceeds apace:

Year:	No. of concerns subject to accident insurance:	No. of factories:
1919	56.189	6.283
1920	57.149	6.391
1921	60.311	6.915
1922	61.687	7.419
1923	62.972	7.645

To the above must be added Burgenland with 1.597 concerns subject to compulsory accident insurance, and 104 factories. The most pronounced increase has been in the metal, engineering, timber and woodworking, textile, provisions and chemical branches. The increase is due partly to an expansion of already existing production, but also in large measure to the introduction of new branches of industry or to the manufacture of new articles. The total capacity of Austria's industries is estimated to be now 20% higher than before the War.

Among the new branches introduced and existing

branches extended may be mentioned: the enlargement of the cotton and woollen weaving mills, the manufacture of fine woollen cloths, and extension of the hosiery and knitted goods output, the manufacture of chrome leather, iron foundries, great extensions in the chemical trade, especially the output of acids and artificial fertilisers, the establishment of a home pencil industry, the manufacture of porcelain for the electrical trade, glass for churches and painted glass, extension of linen weaving, the making of gloves, automobile ball-bearings, centrifugal machinery, quarrying of china clay, etc.

The aggregate value of Austria's industrial output may be estimated indirectly mainly on the basis of the data supplied by Dr. Fellner touching Austria's national income previous to the War. Fellner estimated the output of former Austria's mills and factories at 9.304 million gold kronen, of which the pure production value (that is, the increased value given to raw material and semi-manufactures by the labour of the mills, etc.) accounted for 4.193 million kronen. Fellner's estimates are regarded on the whole as accurate and have been confirmed from the side of Austria in particular by Dr. Hertz who has tested the estimates in various ways, and with the aid, among other means, of the statistics issued by the former Austrian Ministry of Finance. For present Austria one may estimate on the whole about one-third of the production of former Austria, so that the pre-War production of the present Austrian industries when in full employment and at pre-War prices had a gross value of 3.100 million kronen and a net value of about 1.400 million kronen.

Of great importance for Austrian handicrafts production is the *industrial art output*. In the industrial art branch the distinction between factory work and hand work is very loose, and this class of production is tur-work is very loose, and this class of production is turned out even by hand in a large measure for export. The main role is played by Vienna which in respect of

world's markets. The branch is extending with success into other provinces, notably into the Tyrol, and if well planned and systematic support be accorded it, a large number of persons could be found employment in it. The value of the handicrafts output in present Austria previous to the War is estimated at about 500 million gold kronen.

II.

AGRICULTURE.

Austria's *Agriculture* which plays an important role on account of the value of its production and which employs a large portion of the country's population, is wont to be under-estimated, and unjustly so. The total value of the agricultural products of Austria previous to the War is estimated at 1000 million gold kronen. The Austrian Ministry of Agriculture estimated the value of these products since the War in gold kronen as follows:

Live stock in 1923 (exclusive of manure)	1040 millions
Crops (1922 harvest)	427 "
Wine and fruit	142 "
Timber	76 "
Total	1685 millions

In view of the fact that this estimate was made at a time when agricultural output in Austria was less than it is to-day, the pre-War estimate of 1000 gold kronen previous to the War is by no means high. Persons occupied in agriculture (according to the previously mentioned census of 1923) number 1,396,260, that is, over 20% of the total population. Agriculture in Austria is one of those departments in which very great progress is possible, and in fact an increase has been registered since the War in the production in all the branches. Of the total area of the country —

8.382.200 hectares — unproductive land accounts for 10% and productive for 90%, that is, for 7.503.837 hectares. Of this latter area, 38%, or 3.166.500 hectares are forest and 4.231.351 hectares are used for agricultural purposes. Of the area under agriculture, 44.38% (or 22% of the whole area of Austria) is arable land; 23.70% (or 12% of the whole area of Austria) is meadow; 31.93% (or 16% of the whole area) is pasture and Alp land.

Corn growing suffered during the War from a reduction both of the area under grain and of the yield. Since 1920, however, a steady improvement is observable. Nevertheless neither area nor yield is at present up to the pre-War figure, as will be seen from the following table:

I. Area under main crops:

	Exclusive of Burgenland: Average		Inclusive of Burgenland:		
	1909—13	1923	1924	1923	1924
	(in thousands of hectares)				
Rye	419	344	347	373	375
Wheat	198	164	165	192	195
Barley	136	116	119	137	138
Oats	344	307	293	324	309

Corresponding to this there has been, compared with pre-War time, an increase, of course, in the area lying fallow, that is, a decrease in the total area of arable land. In present Austria in 1913 (exclusive of Burgenland) the area of arable land was 1.831.200 hectares, and now (exclusive of Burgenland) is 1.700.000 hectares, while the area lying fallow has increased from 64.000 hectares in 1913 to 114.000 hectares in 1923.

The following table shows the comparative yield before and after the War:

II. Total Yield of Crops:

	Exclusive of Burgenland:			Inclusive of Burgenland:	
	1909—13 Average	1923	1924	1923	1924
	(in thousands of hectares)				
Rye	567.9	374	386	402	412
Wheat	270.6	211.6	201.8	242	231
Barley	169.2	150	140	171	157
Oats	405.4	359	318	365.4	331.6

It is natural that at the same time the yield per hectare failed to attain the pre-War level, as is seen from the following table:

(III). Yield per Hectare: (in quintals):

	Exclusive of Burgenland:			Inclusive of Burgenland:	
	1909—13 Average	1923	1924	1923	1924
Rye	13.6	14.8	10.9	11.1	10.8
Wheat	13.7	14.7	12.9	12.2	12.6
Barley	12.4	13.6	12.9	11.7	12.7
Oats	11.8	13.4	11.7	10.9	11.6

From the above tables it will be seen that Austrian agriculture has not yet reached the pre-War level either in respect of the area under crop, or the total yield, or of the yield per hectare. Comparing 1924 with the average for the years 1919—13, the area under rye is 83%, that under wheat 83%, that under barley 87% and that under oats 85% of the pre-War area. The yield of rye in 1924 was 68%, that of wheat 74%, that of barley 83%, and that of oats 78% of the pre-War yield, while the yield per hectare in the case of rye was 82%, in wheat 89%, in barley 94%, and in oats 92% of the pre-War yield (exclusive of Burgenland).

Austria is thus constrained to import considerable quantities of cereals. The total import of grain of all kinds, including maize, amounted in 1924 to 6.034 million quintals of a value of 157,600,000 gold kronen, the

import of flour to 2.580.000 quintals valued at 111.400.000 gold kronen. Austria is compelled to import about half the quantity of grain needed for home consumption. The home consumption of wheat can be met by home production to the extent of about one-third, the consumption of rye to the extent of 80%, that of barley to the extent of 65% and that of oats to the extent of 77%. This outline shows that also Austria's grain production, even under post-War conditions when the yields have been comparatively small, is a by no means negligible factor.

More favourable than the production of corn is that of potatoes. The area planted with potatoes, excluding Burgenland, has been as follows: in 1913, 161.000 hectares; in 1923, 134.000 hectares; in 1924, 150.000 hectares, and with Burgenland in 1924, 157.000 hectares. The yield of potatoes without Burgenland in 1913 was 15.080.000 quintals; in 1924, 14.700.000 quintals and in 1924 with Burgenland, 16.400.000 quintals. The yield per hectare in 1913 was 93.6; in 1924 without Burgenland, 93.3 and with Burgenland, 98.4 quintals. In the case of potatoes both the pre-War area and pre-War yield have been nearly attained, while the yield per hectare is already in excess of the pre-War figure. Imports of potatoes have thus declined, and in 1923 totalled 779.332 quintals, that is, 5% of the entire consumption; in 1924, 449.798 quintals or 2.6% of the total consumption. In potatoes Austria is thus already self-sufficing besides having a considerable surplus for the alcohol and starch industries.

The development of sugarbeet growing and production of sugar since the War has been fairly favourable. The average area under sugarbeet in the years 1909—13 in Austria (exclusive of Burgenland) was 16.000 hectares; in 1923, 11.000 hectares, and in 1924, 15.000 hectares. In the latter year, inclusive of Burgenland, the area was 19.000 hectares. The average yield of sugarbeet for the years 1909—13 was 3.200.000 quintals; in 1923 the yield was 2.120.000 quintals; in

1924, 3.630.000 quintals, and with Burgenland in this year, 4.330.000 quintals. The average yield per hectare in 1909—13 was 205 quintals, in 1923, 196; in 1924, 240 quintals, and in this year with Burgenland, 232 quintals. In 1924 the area under sugarbeet was 97% of the pre-War area, the yield was 113% of the pre-War figure. Austria's production of sugar since the War has increased as follows:

in 1921	159.747 quintals
in 1922	244.680 quintals
in 1923	472.555 quintals
in 1924	750.102 quintals

Austria is thus in a position to meet almost half her home consumption, notwithstanding that this consumption is steadily increasing. The increase in sugarbeet growing, and the growth of sugar production has besides a very favourable influence upon the production of valuable fodder and upon other branches of agricultural industry.

An important place in Austrian agriculture is occupied by wine growing, the annual output of wine being roughly 1 million hectolitres. One or two specially high-class brands are also exported. Austria also produces considerable quantities of vegetables and fruit.

In addition to corn, the second main item in Austrian agriculture is live-stock rearing, and the production of fodder. Of all the land used for agricultural purposes, 63% or 2.652.573 hectares, serve for growing fodder. Of this area, 1.340.000 hectares are pasture, 1.000.000 hectares meadow, and 303.698 hectares are fodder-producing arable land. The yield of the meadows is steadily increasing and in some respects already exceeds the pre-War yield.

The number of live-stock has likewise increased beyond the pre-War figure, as is seen from the date for 1923, and there has been a further improvement since then:

	1910	1923	In % of the 1910 figure:
	(Head of)		
	(exclusive of Burgenland)		
Horses	298.307	264.662	89%
Cattle	2.222.506	2.036.791	92%
these including:			
Cows	1.108.111	1.005.818	91%
Pigs	1.846.128	1.379.636	75%
Sheep	296.400	591.115	200%
Goats	234.293	374.109	160%

The figures for Burgenland in 1923 were as follows:

Horses	17.767
Cattle	124.883
Cows	68.596
Pigs	92.744
Sheep	6.293
Goats	8.095

The weight of the live stock is still under the pre-War figure, but it is steadily improving. Austria can export a considerable quantity of cattle for breeding purposes, but must so far import about one-half those needed for slaughter.

The yield of the milch cows has greatly improved, so that in a very short time, Austria including Vienna will be adequately supplied with milk, although previous by the War, Vienna drew the large part of her milk supplies from Moravia. Dairy-farming, butter and cheesemaking are beginning to develop in promising fashion, and in this way a new and sound branch of production is opening up for Austria.

One of Austria's main economic assets is her *wealth of forest*, representing 38% of the entire area of Austria. The annual yield of timber is 9.500.000 cubic metres, 3.500.000 cubic metres being for fuel, 2.000.000 cubic metres prepared timber and the rest, 4.000.000 cubic metres being utility wood. With the timber output is closely connected a well developed production of resins, of tans and of charcoal. Altogether some 120.000 workers are employed in the forests and in

the sawmills. Timber is one of the main items of Austrian export. In 1924 the value of the timber exports was close upon 100 million gold kronen, and for the first quarter of 1925 the value of these exports was 40 million gold kronen.

From the outline just given it will be seen that, *in respect of grain, Austrian agriculture can meet more than half the home consumption, that in respect of potatoes it is self-sufficing, that it covers half the consumption of sugar, half the consumption of meat, exports large quantities of timber, live-stock, fruit, and produces fair quantities of wine and vegetables.* Such is the position of agricultural production at its present level of intensity which could be in many branches considerably increased, as will be pointed out later in our analysis of Austria's balance of payments.

III.

COMMERCE AND TRANSPORT.

Austria, and particularly Vienna, plays a considerable role in international trade and international transport. The increase in the value of merchandise and transported goods for the territories of present Austria is estimated for the pre-War era at about 650,000 gold kronen. Vienna commerce has a great significance as an intermediary between the West and the East of Europe, and the growth of transit trade is testified to by some 1200 private free transit warehouses that have been established in Vienna since the War. The main branch of commerce is the trade in textiles. It is estimated that in 1923 Vienna was the middleman for the sale of more than 100,000 tons of textile goods (about 300 tons daily). Besides textiles the Austrian transit trade is concerned mainly with grain, mineral oils, charcoal, colonial products and glass. This role of middleman brings in considerable items of income from abroad.

IV.

THE BANKS.

The *Austrian banks* are powerful concerns whose activities extend far beyond the frontiers of the country. The ten leading Austrian banks had in 1913 capital and reserves to the amount of 1211 million gold kronen. These banks came through the post-War crisis in Austria's economic situation fairly smoothly, pursued a very conservative policy, and rather than studying the interests and the financial needs of the industries, they saw to maintaining their own financial resources and their prestige. Austrian banks finance, or arrange for the financing of, undertakings outside Austria, especially undertakings in the Succession States. The significance and the capital resources of the Vienna banks and the extent of their activities are indicated in the following list (which is naturally incomplete) of the undertakings abroad in which Vienna banks are interested:

1. In Czechoslovakia:

Banks: The Bohemian Discount Bank and Credit Institute in Prague.

The General Banking Union of Bohemia, Prague.

The Bohemian Commercial Bank, Prague.

Metal & Engineering Industries:

The Ringhoffer Co., Prague.

Rotava-Nydek Iron Co.

Coal & Iron Co.

Rosice Colliery Co.

The First Brno Engineering Co.

Carriage Building Co, Král. Pole.

Cable Co., Bratislava.

Telephone & Telegraph Co, Olomouc.

Textile Industry:

N. B. Neumann Sons, Králové Dvůr.

The Silk Co., (formerly F. Bujatti), Schönberg, Moravia.

The United Clothing Factories, Prostějov.

Mautner Textile Works, Prague.
Kosmonos Textile and Print Co.
P. Hellmann Co., Kocléřov.
Noe Stross, Liebauthal, Dolní Bělá.

Sugar Industry:

Pecky Sugar Refinery.
Nestomice Sugar Refinery.
Central Moravian Sugar Factories.
The Karl Stummer Sugar Factories.
Sugar Refinery, Břeclav.
Schöller & Co., Sugar Factories.
Sugar Industry Co., Hodonín.

Spiritus Industry:

F. X. Brosche Co.
Kolin Spirits and Potash Co.
Most Spirits and Potash Co.
Kralup Spirits Industry Co.

Miscellaneous:

The North Moravian Brewery.
The Brewery, Moravská Ostrava.
The "Moravie" Brewery, Kroměříž.
The Inwald Glass Co., Prague.
Cement Co., Králův Dvůr.
The Aussig Chemical and Metallurgical Co., Karlovy Vary (Carlsbad).
Schindler & Stein Co., Maltsters, Brno.
Olsany Cigarette Paper Co.
The Dairy Co., Prague.
Bohemian Artificial Silk Co. (System Elberfeld).
Odra Mineral Oils Co., Bohumín.
Solo, United Czechoslovak Match Works.

The Majority of these concerns are among the best and largest undertakings in the Czechoslovak Republic.

2. In Hungary:

Ericsson, Hungarian Electricity Co.
Vulcan Engineering Co.
Baja Commercial & Trading Bank, Baja.

Budapest Machinery & Pump Co.
Turul Boot & Shoe Co.
Hungaria Boot & Shoe Co.
Hungaria Hat Co.
Textile Co., Rab.
S. F. Goldberger & Sons, Budapest.
The First Keckemet Conserves Co.
Segedin Agricultural Industry Co., Segedin.
Hungarian Ceramics Co., Budapest.
Hungarian Carriage & Machinery Co.
Hungarian Asphalt Co.
Salgotarjan Colliery Co.
Rimamuran-Salgotarjan Ironworks Co.
Hungarian Motor and Machinery Co., Sombathely
M. Stadler, Hardware Co., Budapest.
Hungarian "Ocean" Conserves Co.
S. Rothmüller, Metal & Tin Co.
Hungarian Salami Factory, Segedin.

3. In Poland:

L. Zieleniewski, Engineering & Carriage Works.
Cracow Iron Co.
Chybie Sugar Co.
Galician Glassworks, Szozakowa.
Industrial Bank of Poland, Lwów (Lemberg).
Société de Pétaoles, Dornbrowa.
"Mraznica" Petroleum Co.
General Banking Union, Poland.
Bank Malopolski, Cracow.
First Polish Locomotive Co, Chrzanov.
Discount Bank, Warsaw.
Mortgage Bank, Lwow.
Nafta Co, Lwow.
Jan Gotz, Okozinski Browar i Zaklady przemyslowe
in Lwow (Lemberg).

4. In Yugoslavia:

Croat General Credit Bank, Zagreb.
Credit Institute for Commerce & Industry, Ljub-
ljana.

Provincial Bank for Bosnia and Hercegovina, Sarajevo.

Agricultural & Industrial Bank, Belgrade.

Union Brewery Co, Ljubljana.

Croat Discount Bank, Zagreb.

Milling & Agricultural Co, Zagreb.

Crvenka Sugar Factory, Crvenka.

Croat-Slavonian Mortgage Bank, Zagreb.

Bosnian Bank, Belgrade.

Slavex Timber Co.

Slavonia Timber Co, Zagreb.

5. Other Countries:

Banque Générale de Bulgarie, Sophia.

Banque Balcanique, Sophia.

Bucovina Timber Co, Cernauti.

Renner & Co, Tanneries, Kluz.

Temesvar Mills Co, Temesvar.

The Emilia Steam Mills Co, Oradea Mare.

Rumanian Credit Bank, Bucarest.

Aciéries et Domaines de Resita, société anonyme.

Fanto Co, Geneva, and affiliated companies in various countries.

Amstelbank, Amsterdam.

Bank for Foreign Trade, Berlin.

Satima Societa Anonima Triestina per l'Industria Meccanica.

Continentale Motorscheepvaart Maatschappij.

N. V. Nederlandsche Petroleum Maatschappij.

"Photogen", Amsterdam.

Raffineria di Olii Minerali, Rome.

From this list, incomplete as it is, the position and activities of the Vienna banks, are clear. Their activities result in a considerable augmentation of the Austrian national income and play a very important role in the country's balance of payments.

V.

TOURIST TRAFFIC.

A further valuable economic asset for Austria is the foreign tourist traffic, for which all the natural preconditions are at hand. There is Vienna with its historical associations, its museums, theatres, music, university, etc.; the Salzkammer with its numerous resorts, Semmering and surroundings with its spas and its winter sports, and finally there is the greater part of the Alpine lands. In 1923 Austria was visited in all by 647,179 foreigners, and from the 1st of January to the 31st of October 1924, the number of such visitors was 946,218. The pre-War figures were still higher, and such numbers show what a source of income the foreign tourist traffic is for Austria, and what it signifies for the country's balance of payments.

VI.

AUSTRIA'S NATIONAL INCOME.

The national income of Austria, several items of which have already been specially referred to above, was estimated for the pre-War period by Dr. Hertz at 4400 million gold kronen, of which more than 3000 millions are represented by industrial, agricultural, mining and handicrafts production. The main sources of Austria's national income are thus: an industry, relying mainly on iron and timber (these two raw materials being found in plenty within the country); further, a developed industry turning out quality goods; the Vienna industrial art output; agricultural and forest industry, which to a large extent meets home consumption, and which in some branches, notably in timber and wood, can boast of considerable export and is at the same time only at the beginning of a development towards a more intensive output; a highly developed international commerce and banks which have interests in undertakings in foreign countries, which finance these undertakings and thus repre-

sent for Austria, as does international commerce, a considerable source of income; and a tourist traffic which with suitable precautions can become a great economic asset to the country.

The Austrian pre-War income as compared with that of Germany was in no way a small one. For pre-War Germany with her 64 millions of inhabitants an annual income of some 40,000,000,000 marks, that is 47,000,000,000 gold kronen was estimated. In the present Austria before the War for 6½ million inhabitants, an income of 4400 million gold kronen was estimated—the same proportion of income per head of population as for then wealthy Germany. A very considerable proportion of that income fell, of course, to Vienna. Even if the present production in Austria is not so extensive as the pre-War production and some other sources of revenue not so favourable as before, one may nevertheless estimate that the present income of Austria amounts annually to 3500 million gold kronen, which, in view of the depreciation of gold represents a value of about 5000 million gold kronen in purchasing power to-day.

VII.

COMPARISON OF AUSTRIA WITH SWITZERLAND.

In area, Austria with her 84,000 sq. kilometres is larger than Belgium (29,000 sq. km.), than Holland (34,000 sq. km.) and than Switzerland (41,000 sq. km.). In economic structure Austria is most like Switzerland. Thus, like Austria, Switzerland is a mountainous country (but even more so than Austria) with a small proportion of cultivated area, and is compelled to obtain a large part of her food supplies from abroad. In the matter of food supplies the position of Switzerland is less favourable than that of Austria. Both absolutely and relatively Switzerland possesses less arable land than Austria. Only 11.7% of all productive

area in Switzerland consists of soil suitable for growing corn (the proportion of unproductive land out of the total area is almost twice as great as in Austria and amounts to 22%). In Austria there is 3004 square metres of land suitable for corn growing per head of population, whereas in Switzerland there is only 1105. At the same time the density of population in Austria is 78 to the square kilometre, and in Switzerland 105. According to the calculations of the former Austrian Minister of Agriculture, Dr. L. Hennet, if the prices of food in 1919 be taken as a basis, Switzerland must import agricultural produce, including fodder, to the amount of 207 Swiss francs per capita, whereas Austria, if she attains her pre-War production, from which she is not far distant, requires to import only for 160 Swiss francs per capita. Going into detail Hennet calculated that the deficit caused by imports of grain for bread and flour, and of pulse, amounted in Austria to 50 Swiss francs per capita per annum; in Switzerland to 83 Swiss francs: the deficit caused by imports of meat, live-stock, milk and cheese amounted in Austria to 32 francs per capita per annum, but that in this case there was a slight export balance in favour of Switzerland: that in fats the deficit in Austria was 25 francs, in Switzerland 40 francs: the deficit in sugar in Austria 10 francs and in Switzerland 32 francs. At the present prices the absolute figures would, it is true, be lower, but the proportion would remain on the whole the same. Switzerland has more meadow land, having 3781 sq. metres per head of population while Austria has 3526 sq. metres. Both countries have a wealth of water power, that in Switzerland being utilized to a greater proportion than that in Austria. Austria has, compared with Switzerland, a relatively large output of coal, pig iron, and various other minerals which do not exist in Switzerland. Austria has more than 4 times as many forests as Switzerland, and her timber is one of the assets in the country foreign trade. Switzerland, on the con-

trary, is compelled to import timber. Both countries are compelled to cover the deficit in their production of foodstuffs by the export of manufactures of special quality. For both countries tourist traffic is a considerable source of national income. It can be seen, therefore, that the analogy between the economic conditions of Switzerland and those of Austria is fairly close. Both are land-locked countries, Austria, however, having the advantage of large navigable rivers. It should be added that the standard of living in Switzerland is high.

As against Switzerland, however, Austria is so far at a disadvantage that the Swiss industries were developed organically within the frame of the State, whereas Austria's industries were set up for the former extensive markets and a partial change of orientation is necessary.

THE POSITION OF VIENNA.

Against this analogy, it is objected from several quarters that regard should be paid to a different distribution of the population of Switzerland from that of Austria. Whereas, it is said, the population of Switzerland is relatively evenly distributed throughout the whole State in individual cantons, more than 28% of the population of Austria is concentrated in Vienna. It is stated that this distribution of the population makes a regular economic existence impossible, as the other 72% of the population cannot support Vienna which from an economic standpoint is to be regarded as a drag upon Austria as a whole.

This view, however, proceeds from considerations of food supply and dates from the period when there was a shortage of food. One should not take Vienna isolated and alone: one must look at the productive capacity of the State as a whole. Vienna taken with Lower Austria is in no way worse off in respect of food supply than the other Austrian provinces, and it

is certain that the considerable advance in agriculture made in Lower Austria has been largely caused by the proximity and the needs of a great city, a great centre of consumption, a consumption marked by advanced taste. Lower Austria in conjunction with the province of Vienna participated in the entire Austrian production in 1923 to the extent of 43% of the wheat, 60% of the rye, 57% barley, 56% oats, 51% potatoes, 84% sugarbeet, 83% wine and almost one-third of the fruit. (Of the total population of Austria (6.53 millions), Vienna and Lower Austria account for 3.34 millions). The feeding of Vienna has been facilitated by the great development of market gardens (Schröbergärten) which from an area of 2400 hectares supplied Vienna in the year 1922 with 600.000 quintals of vegetables (40% of the entire consumption), 900.000 litres of milk, 18,000.000 eggs, 280.000 fowls and 250.000 rabbits.

But also from a general point of view Vienna is by no means a liability item in Austria's economy. Vienna is the centre of a distinguished industry turning out quality goods on a medium or small scale, and of an industrial art of considerable significance for export and well established in the world's markets. The great part of the population is engaged in factory work or in turning out in small workshops the well-known Viennese quality goods. Vienna by its commercial activities, its banks, and the work of its liberal professions (physicians, architects, artists, musicians, etc) brings great contributions to Austria's income. Vienna plays a great role in foreign tourist traffic, with her historical objects, her art, her theatre, her music, her exhibitions, etc. In 1924 the number of foreigners visiting Vienna was 343.888. Vienna's receipts from foreign tourists are estimated at between 35 and 40 million gold kronen annually at least. It is thus clear that Vienna as the centre of an industry producing quality ware well-known on all markets, as the centre of transit trade between West and East and between

North and South, as the seat of banks which operate in the surrounding States and as a city which attracts over one-third of the entire tourist traffic of the country, is by no means an item on the liability side of Austria's economic accounts, but is a great asset for her.

THE PRESENT ECONOMIC SITUATION IN AUSTRIA.

I.

DEVELOPMENT OF EVENTS HITHERTO, AND THE CAUSES OF THE CRISIS.

The present economic situation of Austria is not favourable. *This is seen mainly in the fact that the industries are working at reduced capacity, that a large degree of unemployment prevails in the country and that in the last few years the balance of foreign trade has been unfavourable to a considerable extent.* To explain this situation it is essential to bear in mind that Austria's economic position has never yet since the War been normal.

The causes of the Austrian crisis are to be sought first and foremost in the economic development following the War; they are mainly the economic consequences of the War, the breaking down of the former economic connections, disturbances in the world's economy, particularly the unsettled economic conditions in Central Europe, and finally to a considerable extent the financial and economic policy of Austria herself. Like the other States that took part in the War Austria was faced with the task of overcoming numerous difficulties, and these in some respect were greater in Austria than in other countries.

Economic conditions suffered after the War from a shortage of foodstuffs, coal and other raw materials, from difficulties of communication and the like. These difficulties were, however, largely overcome

by the year 1921, so that they were no obstacle to economic consolidation.

Great energy and indefatigable effort were demanded in order to accommodate the country's affairs to the new conditions, to carry through a reorganisation and to seek new economic sources when it was seen that, under the changed conditions, Austria would no longer be able to perform, in the same measure as heretofore, some of the economic functions for which she had up to then been responsible. Both the State, the public bodies and private persons were faced with the duty of accommodating themselves in the sphere of economic life to the new conditions. The will and the endeavour to do this were, however, long lacking in Austria, and the unsettled political and social conditions stood in the way of carrying out a definite economic policy directed in particular to bring about an equilibrium in production and consumption. Labour unrest affected conditions more seriously than in other countries even if it was manifested more by way of latent pressure than by way of strikes. The consequence was that for the purpose of maintaining social order a sequence of social reforms was put through, the outlay on which was out of proportion to the serious economic condition of the country.

Political conditions made it difficult to carry out a sound finance and currency policy, and led to inflation. Inflation produced a general "boom", and led to apparent economic prosperity. The Austrian economic problem could, of course, not be solved in these circumstances; under the influence of inflation no effort was made to accommodate matters to the new conditions, but on the contrary the policy of inflation still further complicated the situation in many respects, and made the subsequent essential solution all the more difficult, for it led to a large extension in the various branches of industry which were most in need of change, it increased the number of commercial and banking concerns although the whole

apparatus of commerce and banking inherited by present Austria was already larger than the country needed, and finally it caused an exaggerated consumption and a great loss of capital.

Austria overcame, it is true, the most considerable of the post-War difficulties, notably that of food supply, but failed to show the essential energy to carry out the necessary change in her economic system. For a time the great inflation hid the true picture of things, but Austria could not avoid the inevitable solution. The longer the abnormal conditions continued, the more difficult it was to carry out the essential change. As a result of the inflation "boom", employment was relatively satisfactory, within the country consumption was very considerable, but there arose a great disproportion between incomes and consumption with the result that property was consumed, that capital which should have been used for production was consumed. The industries found markets for their products with comparative ease, for the depreciation of the currency was a premium for them and enabled them to indulge in "dumping". This facilitated export trade, but the industries lacked incentive to aim at economic production, improvement in technique, at reorganisation, at accommodation to the new conditions and to look for new markets. The industrial boom led particularly in the metal industry to the establishment of new concerns. The increased wages encouraged migration from the country districts to the towns. The inflation conditions attracted many persons to trade, to banking, to the Bourse, and the ease with which profits were made thrust serious work into the background. There resulted a great disproportion between the apparatus of production and that of distribution, and the class changes which followed made more difficult the finding of new callings which in certain branches had become necessary since the War owing to the changed conditions. The State, too in its undertakings and its administration, increased its number of employees, and thus

complicated the question of employment. A general sign of the times was a conversion of productive and other capital into income and a wholesale consumption without corresponding production. Calculations in all branches were based upon the promise of great profits and so the industries raised credits in light-hearted fashion.

A change in these conditions took place on the stabilisation of the krone in September 1922. The internal purchasing power of the krone now tallied with its external purchasing power, the commodity index rose, difficulties for industrial production set in, and the beginnings of a stabilisation crisis became apparent. Unemployment rose by February 1923 to the number of 161,227 persons in receipt of unemployment pay. In Spring the number began to decline and in November 1923 was no more than 75,810. The Austrian stabilisation crisis seemed to be quickly overcome. A contributory factor to the relief of the situation was the development of European economic and political conditions in the Spring of 1925 and the great German crisis which removed German competition from the field. The stabilisation of the currency in Austria was accompanied by a great boom on the Bourse, the so-called „Aufwertungshausse“. The index number of the shares in the home joint-stock companies rose from 502 in the September of 1922 to 2,680 in the January of 1924. Easy won profits on the Bourse were an incentive to another great wave of consumption, so that it is not unjustly said that at that time profits acquired without work were a precondition for the employment of workers. The boom on the Bourse and on the home commodity market was supported by a considerable influx of foreign credits. The amount of these credits may be judged of from the fact that although the foreign trade balance for 1923 was 792.7 million gold kronen on the wrong side, the metallic and foreign bills reserves of the National Bank increased by 212 million gold kronen. The amount of discounted bills rose from

731 milliard Austrian kronen in January 1923 to 1.238 milliards in January 1924. Into the country thus came great sums of a new purchasing power, so that these credits may be regarded as having had the effect of inflation. The results of this new, and mainly inland, boom were especially a further consumption of capital (a part too of the foreign credits was devoted to purposes of consumption and not to those of production or works of utility, improvement, etc) and also to general consumption as reflected in the foreign trade deficit. The stabilisation crisis, such as every economic system must pass through after a certain period of inflation, which Austria after suffering for so long under inflation had to pass through, was not brought to an end by this new, illusory boom. It was only interrupted to break out later in intensified measure, for the unfavourable consequences of inflation lasting to the year 1922 were reinforced by the false boom that occurred in 1923, and the prolongation of the crisis made it more difficult to be overcome in the future. And so, after the great boom following the War, and 2 years after the stabilisation of the currency followed by a great boom on the Bourse and a fresh boom in home trade, Austria still stood faced to a large extent with the problem which faced her immediately the War ended — that is, the necessity of accommodating herself in the sphere of economics to the changed political and economic conditions.

The impulse to a turn in the tide came from the collapse of the speculation against the franc. In this attack on the franc, Vienna lost a huge amount of capital and a slump on the Bourse followed. The index number of the quotation of joint-stock company shares fell from 2680 in January 1924 to 975 in October 1924. The realisation of foreign stock exchange profits on the Vienna Bourse also signified a considerable loss of capital for Austria.

The change in the situation manifested itself in a

diminution of the incomings from the Bourse, in a gradual reduction of consumption, in an increase in unemployment. It was seen that it was now essential to pass to a normal state of affairs, that it was essential to carry out *great economies* in every direction. It was, of course, certain that this transition to a normal state would demand great effort, considerable losses and would be accompanied by no mean difficulties. *And it is in this transition* period that Austria finds herself largely still. Austria entered this crisis much impoverished by preceding losses, without current working capital, with a great disparity between income and consumption, between production and consumption, with great changes in social position and income among the population. Austria's economic system had not yet been adapted to the post-War changes. Her production and particularly her apparatus of distribution had been changed both as regards direction and intensity. It was seen to be necessary to secure economic sobriety and absolute seriousness, and this could only be attained by overcoming considerable obstacles. We read, for example, in the annual report of the Austrian National Bank laid before the meeting of that institution on the 15th of March 1924 the remarks of the secretary of the Labour Chamber, Dr. Palla: "In all branches it is apparent that our economic system has not yet been adapted to stability conditions. Manufacturers still largely work on the basis of calculations which were suitable during the period of inflation, but which to-day must lead to a serious reduction of our capacity to compete in the world's markets. Traders work with exaggerated profits which are out of proportion to the conditions of to-day and which sensibly increase the price of productions."

To overcome this crisis *a good deal of energy and courage* is of course essential, and *sometimes these are not a little lacking in Austria*. One should not complain of every little present loss or of other unfavourable temporary circumstances when the path is one

which leads to health and improved conditions. It should also be noted that the Austrian crisis and Austrian unemployment *have not been caused by a reduction in or unfavourable tendency of Austrian export trade*. On the contrary, even during the crisis exports have steadily increased, even those of industrial output. The following figures illustrate this: In 1921 Austrian exports attained a value of 911 million gold kronen; in 1922 the figure was 1.111.4 millions; in 1923, 1129.5 millions; in 1924, 1380.6 millions. The export of finished goods in 1923 was 915.6 million gold kronen and in 1924, 1074.5 millions. It is thus clear that the reduction in consumption resulted from the necessity of accommodating internal consumption to income and of carrying out economic reorganisation, and that thus *a great part of the Austrian crisis is due to the organisation of economic conditions in the country itself*.

In the course of 1925 considerable advance, despite a great amount of unemployment, has been made in the economic sanitation of Austria. An increase in employment and a betterment in the situation generally can result from an increase in exports and a lessening of the costs of production. This, of course, demands on the one hand, favourable market conditions abroad, and, on the other hand, the *greatest possible capacity to compete* on the part of *Austrian productions*, by cheapening production a measure which depends upon the development of production conditions within the country. Employment is not equal in all branches of industry. In view of the fact that productive capacity is now 20% greater than before the War, the average measure of employment is only 80% of the pre-War figure. In the majority of European countries, however, the level of pre-War production has also not been recovered and almost everywhere production capacity is greater than before the War. In comparing industrial employment one must not take only the amount of coal consumed, for as a result

of the improvement in the science of heating the consumption of coal has considerably declined.

On the whole, however, production and employment in the Austrian industries is greater than in 1924, and if this fact does not so much appear in an increase in the number of the employed, a partial reason is to be sought in the fact that the industries have been constrained by prevailing conditions to economise in production, reducing in some cases the number of workers. The improvement is also to be seen in the increase of industrial exports in the first quarter of 1925, compared with the first quarter of 1924. There is good employment especially in the paper, provisions, electrical, electric bulb, brewery, hat and automobile trades, in the artificial flower trade and to a large extent also in the agricultural machinery industry. Employment is bad in the iron trade, but it is better than a year ago, in some branches of the metal and engineering trades, furniture making, glass and clothing trades. In the iron trade it is mainly the Alpine which is suffering from poor employment, but this case must be considered apart from the general situation, for the causes of its lack of employment are largely different from the general economic conditions in Austria and are to be sought elsewhere. In the metal and engineering trades it will be essential to go in for far-reaching specialisation, to readjust and direct production into new lines. Some concerns in these branches, notably the State undertakings, have not yet changed their production back to the pre-War character, as for instance the Skoda Works at Pilsen and Krupps of Essen have been compelled to do. With regard to the clothing branch it is stated that the Austrian industry is unable to compete with the Czechoslovak clothing industry at Prostějov.

The number of unemployed persons in receipt of unemployment pay has steadily declined in the course of the current year. The highest point was at the beginning of February when the number was 187.070, while at the beginning of July it was 113.379 — a reduction

of over 70.000. The greatest proportion of unemployed is to be found among the bank and other clerks, in the metal, building and timber trades as well as among the unskilled labourers. The cause of the large measure of unemployment among the bank and other clerks is connected with the consequences of Inflation. Mention has already been made of the fact that the easy profits to be gained during the period of Inflation attracted large numbers of persons, mainly young people, to chose a commercial career. The number of registered trades people, according to the report of the Vienna Handlungsgremium, increased from 7.046 on the 1st of January 1919 to 14.854 on the 1st of January 1925. A great number of these independent traders have been compelled to liquidate and they themselves and their staff have been thrown out of employment. On passing over to a normal condition the banks have been compelled to reduce the staffs that were increased during the period of inflation, and the number of persons employed in the banks dropped from 25.591 on January 1st 1924 to 16.649 on January 1st 1925. Even this number is far in excess of the number employed in the banks previous to the War, so that the banks will be compelled to make further reductions in their staffs. It is only natural that it is especially Vienna which is affected by unemployment in the ranks of the bank and other clerks. These two classes of workers find themselves up against competition on the part of the State employees who have been pensioned off. These latter, having a certain basic income, ask less pay for their services. As, however, the unemployed clerks are mainly young persons, it will not be so difficult for them to turn to some other calling.

Unemployment in the building trade is connected with housing control. The number of unemployed in the timber trade is also a result of the conditions produced in this branch by inflation. The problem of the metal and engineering trades is a difficult one. A great number of workers, male and female, who during the War

entered ammunition factories, regard themselves as metalworkers. A great proportion of these are insufficiently skilled as was proved by the tests made on choosing metalworkers for France, so that, despite the large measure of unemployment in this branch, there is a lack of qualified workers. It will be necessary to pay more attention than hitherto to the training of these workers and to transferring them to other branches. This problem is also the problem of the unskilled worker. A large proportion of unskilled workers went over during the period of inflation from agriculture to the industries, and though steps undertaken hitherto have had no great success, it would be advisable to renew the attempt to get these workers to return to agriculture, and this all the more so as there is a lack of agricultural labour.

The system of unemployment insurance, which will be discussed later, as now worked, and influenced by the tactics of the trades unions, is not particularly calculated to assist in reducing the number of unemployed. This system prevents a levelling up of supply and demand, is opposed to a more normal method of fixing the level of wages and is too inelastic to transfer workers from one branch to another, so that there are not wanting leading economists in Austria who declare that so long as the present system of insurance against unemployment continues, the unemployment, even under more favourable conditions, will only slowly decline.

II.

THE QUESTION OF CREDITS.

An improvement in Austria's export trade and an increase of production meet with obstacles, on the one hand, in foreign markets, while unfavourable conditions of production, on the other hand, stand in their way in Austria herself. There is the difficulty of securing capital, there is the high rates of interest paid for money, the burden of taxation, social burdens, transport tariffs,

there is the question of better technique and increased ratio of output.

Of great importance for Austrian industry is first and foremost the *question of capital* — the high rates of interest charged for money on the one hand, and the shortage of capital on the other hand. In contrast to industry in the countries of Western Europe, the Austrian industry has always worked with comparatively limited means of its own, and made generous use of credits advanced by the bank financing it. After the War and during the period of inflation this state of affairs worsened. As a result of the inflation, of losses on the Bourse and in the speculation in francs, a serious lack of liquid funds has manifested itself. It is necessary, however, to distinguish between working capital essential to finance a concern through its business year, and the capital required for investing in improvements, construction, etc.

As regards short-termed loans for current needs of working, the situation on the money market visibly improves and there is no lack of such credits. The banks are able to meet all justified requirements, though, of course, in view of the still uncertain economic conditions, they have to be cautious. A favourable influence on the state of the money market is exercised especially by the good situation of the Bank of Issue. The following figures show the currency development during the current year:

	7. Jan. 1925	31. July 1925
	(in millions of schillings)	
Gold and foreign valuta included in reserves	352.14	476.15
Spot-forward operations	127.93	104.20
Discounted bills . . .	182.40	85.333
Fiduciary circulation and check account balances	880.45	866.80

The cover for the entire circulation in gold and valuta amounted on the 31st of July to 62.2%. A com-

parison of the two returns given above shows that internal credit is substituted by foreign credit, the discounted bills having fallen by 97.1 million schillings while the gold and valuta reserve increased by 140 million schillings. This growth is explained by the conversion of foreign credits into internal currency. The situation on the money market has a tendency to further favourable development and a reduction of the discount rate and possibly a more liberal credit policy on the part of the Bank of Issue may be looked for as the economic situation improves. So far there is a considerable difference in the rate of interest charged for foreign and for internal credits. First class firms can obtain a short term foreign credit for 8—10%, whereas at least 15% must be paid for an internal credit. In both respects large firms of good standing have an advantage over medium and small firms. The high rate of interest for internal credit is due largely to the difference between the borrowing and lending rates. Before the War this difference was 2—4%, while now it is 4—7%. As the profits of the banks are relatively much lower than before the War, this difference is mainly caused by the increase in the banks working expenses in proportion to the entire turnover. One or two items will explain this. The salaries and personal expenditure of 8 Vienna banks in 1913 amounted to 26.95 million gold kronen, and in 1924 to 47 million gold kronen, thus an increase of 83%. The taxes paid by the same banks in 1913 amounted to 17.07 millionen gold kronen, and in 1924 to 24 millions — an increase of more than 50%. The accounts of these banks balanced in 1913 at the aggregate sum of 4771 million gold kronen, and in 1924 at 1380 million gold kronen — thus hardly 30% of the pre-War figure. This explains why, under the present system of working, it is necessary to maintain so great a disparity between the lending and borrowing rates. It is probable that a further concentration will take place among the Austrian banks and that some of them will be liquidated, although the number of joint-stock

banks in Vienna has already dropped from 54 at the beginning of 1922 to 36 at the present time, and the number of banking firms during the same period has fallen from 378 to 300.

In the way of a reduction of the staff expenses of the Austrian banks there stands to a certain extent the agreement relating to bank clerks. This „pragmatic“ agreement checks a reduction of the personnel by burdening the banks with the obligation of paying the dismissed clerk a considerable gratuity on dismissal, even if the term of service has been only a short one. If the rates of interest charged for advances are to be further reduced the banks expenditure on personnel must also be reduced, and the banks are aware of this.

Developments tend in the direction of the disparity between the interest on foreign credits and that on internal credits being reduced. On the whole it may be anticipated that conditions will steadily improve in respect of short term credits, that the rates of interest will be reduced and that thus the capacity of the Austrian industries to compete will improve. Already, in comparison with last year, the Austrian industry in some branches can, in view of the cheaper credit obtainable, fix their prices 2%—3% lower than before. Of late the conditions on the money market have eased, and the situation has improved so far that the private discount rate has dropped to 9%. The question of the high rates charged for short term credits will be soon settled.

It is otherwise with regard to long term credits required mainly for so-called „investment“ purposes, that is for construction, improvement or other utility purposes. Austrian industries, and in equal measure Austrian agriculture, require long term credits or even an increase of working capital in order to improve their technical capacity and to augment the ratio of output. The market for long term credits, largely annihilated by inflation has only just now begun to revive. The basis of such a market must of course be

sought in thrift and savings and in the willingness of the public to buy fixed interest bearing securities and also to subscribe to issues of new capital. For this kind of credits the level of interest charged is a great consideration, for production cannot be bound down for a lengthy term to pay interest at the rate now charged. Agriculture, in particular, is in very urgent need of long term credits, but cannot permanently pay the rate of 10% to 12% now demanded. Nor is the readiness of foreign lenders to grant long term credits very pronounced. In both directions, however, an improvement is now observable. On the one hand a large number of long term credits have been obtained from abroad at a relatively cheap rate for the great industrial undertakings and for agriculture, while on the other hand, a considerable growth of thrift is observable during the past few months. For example, the deposits in the 9 leading Vienna commercial banks, the Vienna savings banks, and the savings banks in the provincial capitals at the beginning of January 1923 totalled 11 million schillings; at the beginning of January 1924, 59.6 million schillings — a growth in 1923 of 48.6 million schillings, a sum which is very insignificant and accounted for by the indulgence in Bourse speculation and the over great consumption. At the beginning of January 1925, the deposits in the banks in question totalled 184.1 million schillings, an increase during 1924 of 135.5 millions. At the beginning of July 1925 the deposits had attained the level of 355.8 million schillings, so that the growth in six months amounted to 171 millions, or nearly as much as for the entire twelvemonth of 1924 — a proof of the progress made in economic consolidation in Austria. The increase in thrift will have a favourable influence on the long-term credit market, on the prospects for the issue of new capital for subscription; and on the level of the rates of interest charged. This improvement can only take place, then, by the gradual accumulation of new capital in the form of savings, for which credits grant-

ed by the Issue Bank are no substitute. For the near future, therefore, it will be necessary to rely upon obtaining foreign credits. With regard to foreign credits, the following points must be considered:

1. the possible influence of foreign credits on the level of prices in the country, and the cautious credit policy pursued by the National Bank in this connection,
2. the question of what return the foreign credits will give,
3. the necessity of using these credits productively.

III.

THE BURDEN OF TAXATION.

In the matter of taxation it is essential to distinguish between the burdens imposed by the State and those imposed by the provinces and by the communities. In comparing the burden of taxation to-day with that existing before the War, it is necessary to bear in mind that existing production and thus, too, the total income of the population, as already stated, is less than the pre-War income, and that therefore the basis of taxation is smaller. The State taxes imposed as a result of the financial reform scheme are not specially burdensome, especially since the reduction of the tax on earnings and the corporation tax. The reform scheme constrains Austria not to extend the circle of State tasks and activities, so that the less urgent tasks may be deferred to a later date and so that the State administration be adjusted to the existing economic situation as a whole. According to the Budget estimates for 1925, the total State expenditure including the monopolies and the State undertakings is 1066.9 million schillings; the revenue 1008.3 million schillings, thus leaving a deficit of 50.5 millions. According to the 12 monthly reports of Dr. Zimmermann, the League of Nations' Commissioner General the State taxes in 1913 produced 45.06 gold kronen per capita. According to

the Budget for 1924 the figure was (exclusive of the monopolies) 60.67 gold kronen. This figure, however, has risen in the actual revenue receipts. According to the interim results for 1924, the taxes, exclusive of the monopolies, represented 94.9 gold kronen per capita, of which the part collected by the provinces and the communities was 16.4, so that the total burden imposed to meet the needs of the State in 1924 according to actual receipts was 78.5 gold kronen per capita. According to the Budget estimates for 1925, the total incidence of the State and other taxes, exclusive of the monopolies makes 75.3 gold kronen per capita; after deduction of the proportion collected by the provinces and communities the amount available for State purposes is 60.1 gold kronen per capita. The actual results in the first six months of the year, however, show that this figure will be again exceeded by at least 10%. It is therefore essential that the business of the State should develop as hitherto in the direction of the utmost economy.

The tendency to restrict public tasks and to defer the less urgent matters to a date more economically favourable, and the effort to bring down the Budget figures, have, however, not been manifested by the provinces and by the communities, to which the scheme of finance reform does not apply and which in the last few years have increased the taxes they impose and besides have not managed their affairs with any great efficacy. This applies in particular to Vienna which is at the same time both a province and a community, so that it gives a good picture of the incidence of taxation as a whole. The Vienna Budget estimates for 1923 showed expenditure of 124.3 million schillings, for 1924 expenditure of 27.3 million schillings and for 1925 the sum of 427.1 million schillings — thus an increase of almost 140 million schillings compared with last year. The yield of the provincial and communal taxes was estimated for 1925 at 144.4 million schil-

lings, the State share of taxes at 76.9 and 70.9 million schillings respectively. According to the Budget for 1924 the Vienna provincial and communal taxes represented a charge of 32.8 gold kronen per capita, the State taxes 28.6 gold kronen — together 61.4 gold kronen. On the basis of the actual results for the first 10 months of 1924 it is to be expected that the total yield was one-third higher than the estimates, so that the total taxation in Vienna in 1924 represented about 78.5 gold kronen States taxes and 82 gold kronen communal taxes, a total of over 160 gold kronen. According to the Budget estimates for 1925 the communal taxes in Vienna would represent 54 gold kronen, Vienna's share in State taxes 26 gold kronen, and the State taxes 60 gold kronen — a total of 140 gold kronen, of which 80 gold kronen go to meet the needs of Vienna according to the Budget. On the basis of the results so far known it is expected that the yield will be at least 10% higher than the estimates, so that the yield of taxation in Vienna will again amount to about 160 gold kronen per capita. In explanation of the Vienna taxation it is essential to draw attention to some figures in the Vienna Budget. Of a total expenditure amounting to 427.1 million schillings, over one-third, or 153.9 millions are for constructive purposes (the erection of houses, baths, extension of electrical undertakings, gasworks, electrification of the municipal railways, child welfare, etc.). Vienna is systematically extending her activities particularly in the direction of social welfare, health, etc, and this expenditure is almost at once covered by taxation. It must be admitted that the management of the affairs of the municipality of Vienna is model and that Vienna has done much in the sphere of social and health reform, but it is important to consider whether the carrying out of such tasks and the extension of the municipal activities at a time of economic crisis is not out of accord with the existing economic conditions, especially when the expenditure on improvements is not met by borrowing.

but largely by the imposition of taxes which burden production and weigh upon the industries of Vienna that form such a considerable proportion of the total industry of Austria.

Vienna has indeed totally altered the pre-War system of taxation. Whereas before the War the main sources of municipal income were the rent "heller", the house-rent tax, the surcharges to the tax on earnings and excise, that is, taxes which fell fairly equally upon all classes of the population, Vienna now pursues a class policy in taxation, endeavouring to spare the less well situated classes, to raise their standard of living, and to move taxation on to the shoulders of the socially stronger elements, but also upon production. The Vienna Budget estimates for 1925 providing for taxation to the amount of 144.45 million schillings include 18 various taxes and charges, those bringing in the main yields being: Fürsorgenabgabe 60 million schillings; house construction tax, 32.60 millions; luxury tax, 12 millions; tax on food-stuffs, 12 millions; automobile tax, 4.70 millions; tax on rooms let to strangers, 4.50 millions; advertisement tax, 2.50 millions; water-power tax, 2.60 millions. The tax for house construction is a tax for a special purpose, and is designed to meet the cost of the great programme of house building undertaken by the municipality of Vienna for the purpose of providing within a few years some 25,000 dwellings. The number built or in course of construction or of which the plans have already been approved, is 19,396. The house-rent tax is not burdensome in view of the low rents. The rent consists of half the amount of rent paid on the 1st of August 1914, and that not valorised and thus only half the value of the sum of Austrian kronen, and further, a charge for depreciations 150 times the amount of the rent for 1914, of a proportionate share in the cost of maintaining the house and a proportion of the rates. In these circumstances it is impossible, of course, for private build-

ing activities to develop, housing conditions are not accommodated to income conditions, an artificial house-shortage has arisen and this has given the impulse to the erection of houses in Vienna, the cost to be met out of taxation. Whereas in 1914 a workman's outlay on housing was 13.7% of his wage, the proportion in 1925 is only 2%. It is only natural then that there is an increasing demand for dwellings, and a shortage of housing accommodation, while at the same time housing conditions improve. Before the War in Vienna the number of persons per dwelling was 4.57, whereas in 1923 it was only 4.10. It is therefore essential to see to the question of rents and of housing control being solved in Austria, for the present conditions cause alternations in the application of income and distort the conditions of economic life.

For production the most burdensome tax is the Fürsorgeabgabe which is levied also in other Austrian provinces. This charge is $4\frac{1}{18}\%$ of the gross salary or wage received by the employee under any heading whatsoever on the basis of employment, and in the banks it is $8\frac{1}{2}\%$ of the salary paid. This tax must be paid by the employer and the duty of payment cannot be pushed on to another person. The tax is a charge upon the gross cost of production and of course weighs heavily on production and has the character of a social levy. Tourist traffic is adversely affected by the tax on rooms let to strangers which amounts to as much as 60% of the cost of the rooms and adds to the expense of a stranger's stay in Vienna. To the prosperity of the theatres and other such undertakings connected with Vienna the entertainment tax is burdensome, as is the tax on food-stuffs and beverages for the coffee houses and restaurants and the tourist traffic in the capital. Disproportionately high is the automobile tax which for passenger cars from 1 HP amounts to over 104 gold kronen.

The entire taxation system and also the manner

of conducting the municipal enterprises which are purposely on a non-profit-earning basis very adversely effect industrial and trading concerns, for at a time of economic crisis it is very difficult to change the incidence of the taxes. A diminution of the tasks taken up by Vienna which in several departments have grown very considerable, and a postponement of various building and improvement schemes not very urgent for the moment would enable, for example, the Fürsorgeabgabe to be reduced — a step which would largely increase the competitive capacity of the Vienna industries. It should also be noted that Vienna has large cash surpluses at disposal and that in the last few years the city has acquired the ownership of numerous buildings of economic value.

The burden of taxation in the remaining provinces and communities in Austria is not so great, it is true, as in Vienna, but nevertheless greater economy and better management would sometimes not be out of place. The present Austrian constitution, creating in a small State 9 provinces with 8 provincial diets, with provincial presidents, vicepresidents, provincial hetmen and a whole administrative apparatus besides, is very costly, increases the number of public officials and thus complicates the economic situation of the country. The provinces and communes employ (inclusive of their undertakings) about 88.000 persons, while the State itself in its central administration has 55.000 employees. The number of persons drawing State pensions in Austria (including railway pensioners) is almost 120.000, so that, leaving out of account the employees in the State undertakings, the number of public servants and pensioners is 263.000. It is therefore essential, in addition to reforming the State finances and making economies in State administration, to direct every possible effort towards economy and sound administration in the provinces and communes. It is true that the new enactment recently passed adjusting the relations of the State to the pro-

vinces gives the State a power of veto over increases in existing taxation or the imposition of new charges, but that provides no remedy for the existing situation. It would be in the interests of production, however, to revise the present financial system of the provinces and especially of Vienna, and to seek some possibility of reducing the existing burdens.

IV.

SOCIAL BURDENS.

It has already been noted that post-War political developments in Austria brought with them a rapid advance in the sphere of social reform, thus contributing to the maintenance of social peace, but of course at the cost of the country's economic interests.

Under social burdens the following obligations must be distinguished:

1. Social Insurance.
2. Workers' holidays and payments under § 1154 b. of the Civil Code.
3. Payments under § 8, and lump payments under § 23 of the Employment Act.
4. Obligation to employ disabled ex-service men.
5. Fürsorgeabgabe (possibly).

Contributions towards social insurance, that is, insurance against accident, sickness and unemployment, and in the case of clerks pension insurance, amount now, after the unemployment insurance contributions have been increased since 1st August to 120% of the sick insurance premium, to about 14% of the wage (in Czechoslovakia the proportions is 8%). Of these contributions the most burdensome is that for unemployment insurance. According to the existing system the obligation is shared in the following proportions: the State bears 12%, the community 4% and 84% is borne in equal shares by employer and employed. As to the period for which unemployment pay

is granted the following provisions at present apply: Normal support in unemployment is granted for a term of 30 weeks. Afterwards workers up to the age of 25 years receive special support for a period of 22 weeks, those between 25 and 50 years for a term of 48 weeks. The amount of this special support is the same as the ordinary support. Besides this, in certain districts, extraordinary pay may be granted after the expiry of this period to the amount of 90% of the normal unemployment pay. The funds to meet this pay are raised by the district in which it is granted, so that there arises a disparity of burdens in the various district. According to the latest adjustment the amount of unemployment pay is limited in each case to 80% at the most of the weekly wage earned by the unemployment person during his last period of work.

This system of insurance against unemployment, which would perhaps be suitable for normal times when by small contributions it is possible to accumulate the necessary basic fund, is unsuited to the present time of economic crisis. The greater the number of unemployed, the greater the burden for the rest of production, the more the costs of production are increased, the less the capacity to compete, and the greater the tendency to aggravate unemployment. It is sure that this system tends to keep up unemployment. It would therefore be advisable first of all to carry out a stricter control than hitherto over the unemployed, to revise the provisions as to the period for which unemployment pay is granted, as to the amount of the pay (which is sometimes higher than the wage of a badly paid workman), and to change the present system of providing the funds, a system which weighs so heavily on production. In place of the present system of contributions it would be the most suitable to introduce perhaps a general tax, for in this way the cost of unemployment pay would be distributed over the whole economic structure. Under the existing arrangement, if the cost is to be trans-

ferred to prices, this is possible only in the home market. Home prices are thus increased with the result that consumption drops and this again forces up the costs of production.

The amount of the other social burdens may be stated as follows: workers' holidays 3%; payments under § 1154 b and § 8 of the Employment Act (according to § 1154 b the worker, in case of illness or other important causes, has a right to his wage for 1 week, while the employee in the same circumstances has a right to his salary for 6—12 weeks and to half salary for a further period of 4 weeks) 2%; lump payments under 23 of the Employment Act 0.5%. This provision as to lump payments is felt as a great burden at the present time when it is essential to reduce working and especially staff expenses, and is a hindrance to the reduction of overhead charges. If the Fürsorgeabgabe be added to the above, the total social burden for industrial undertakings amounts to 23.56% of the gross amount of wages paid, while exclusive of Fürsorgeabgabe the total is 19.56%. In addition there exist several smaller charges, such, for example, as the contribution to labour exchanges and the obligation laid upon an employer to engage one disabled ex-service man for every 25 other workers in his employ or to pay an annual sum of 200 schillings for each omission. The president of the Vienna Federation of Industries estimates for the first half of 1924 (since which date the burdens have increased) that in the case of 65 Vienna firms the total social burden for employer and workman amounted to 20.5% of the gross wages, whereas in 1914 the proportion was only 7.3%. In the mining industry the burdens are still greater as a result of of the co-called provisional contributions towards the miners' old-age pensions fund, and they press heavily upon production. In agriculture, too, the burdens are serious, especially for the medium sized and large undertakings. According to figures put forward in the

Agricultural Society at Vienna on the 25th of March 1925, the social burdens per 1 hectare of land in 1914, were 6.30 gold kronen, and in 1924, 23.80 gold kronen.

These social burdens are, as will be clear from what has been said, *also an obstacle to the development* of Austrian production, and even admitting the necessity of a mature social policy and consideration for the political and social situation, it is nevertheless essential, in the interests of the capacity of Austrian production to compete, seriously to consider how to attain the utmost economy in this direction. Attention has already been called to the urgency of making an alteration in the system of providing funds for unemployment insurance pay.

V.

TRANSPORT TARIFFS AND WAGES.

Transport tariffs are not an item that have increased costs of production, for on an average they are only about 10% higher than before the War. Also for transit trade the tariffs are favourable. The Austrian railway tariffs are lower, for example, than those in Czechoslovakia and in Italy.

Wages and salaries, too, are no higher than in other industrial States, as is seen from figures showing the amount paid at the end of June 1925 to the following categories of workers: skilled workers in the paper trade 0.92 schillings per hour; timber trade 0.93 per hour; boot and shoe factories 1.41; sugar factories 0.87—0.91 schillings per hour; in the case of unskilled labour the following sums were paid per hour at the end of June last: building trade 1.10 schillings; cement industry 0.65—0.69; chemical trade 0.71—0.74; timber trade 0.71; paper trade 0.69 schillings. Employers of course complain that the output of the worker is not such as it was before the War and that in some branches it is lower than in other countries. Farmers

complain that the wages they pay are, mainly as a result of the shortage of agricultural workers, higher than in the neighbouring countries.

THE STANDARD OF TECHNIQUE.

The capacity of the industries to compete is of course also regulated by *up-to-date character of equipment, and progress in technical methods*. In this respect much was neglected during the period of inflation, so that, for example, at the plenary meeting of the Vienna Chamber of Labour on the 14th of March 1925 the following opinion was expressed: „The Austrian industrial concerns, despite many improvements, are not on the same level, either as regards technique or organisation, as the undertakings in other countries with which they have to compete. The consequences are just now coming home of the fact that, at the time of inflation, the banks placed too little money at the disposal of the undertakings which they controlled, and that the manufacturers themselves often used the profits gained at this period for the purpose of speculation instead of utilizing them to improve the equipment of their works, to specialize their output and to introduce new branches of production”. It must be admitted that of late the Austrian industries have made energetic efforts to make up for lost time in improving their production. For this purpose, of course, a considerable amount of capital is needed, mainly cheap long term credits for construction and improvement schemes. Similarly the Austrian industries need credits for the purpose of extending their connections in the world's markets, and for establishing a sound export organisation. Austrian manufacturers, too, in all branches will in the future have to content themselves with smaller profits.

A review of the conditions of production important for judging of the capacity of Austrian industry to compete shows that the *taxes and charges for State*

purposes, the railway tariffs and wages and salaries are not unfavourable for Austrian industry in this connection. The diminished capacity to compete is, however, caused by the high rates of interest charged for short term credits, lack of credit for purposes of improvement and construction, the heavy social burdens, the high provincial and communal taxes, and in some parts the diminished output of the worker. Terms for credit, and output of the worker show a tendency towards improvement, the rates charged for short term credits in particular having fallen considerably. It is assumed too, that in respect of *technical* progress Austria will continue to follow the path entered upon and will bring her industries in this respect up to the level of those in other countries.

Not much is lacking to bring about an improvement, by means of a due adjustment of conditions of production, so as to secure that Austrian production is not on any worse footing than that in other countries. This will lead not only to increased export trade but also to a revival in the home markets.

VI.

OBSTACLES IN THE WAY OF EXPORT.

The obstacles which stand in the way of Austria securing due markets abroad for her industries, assuming their capacity to compete, are due for the most part to the general economic situation throughout the world, and in particular to the economic conditions in Central Europe.

An unfavourable influence is exerted here first and foremost by the universal impoverishment, the diminution of purchasing power and decline in consumptive capacity connected with the fact that the pre-War level of production, especially in agriculture, has not been recovered in these countries. For Austria, exporting as she does a great quantity of quality goods and articles of luxury, the changes in the class division

of the population and the transference of income in those countries where she found her main markets, have had a deleterious effect. As a result of inflation as well as of the conditions during and since the War — including the schemes of land reform that have been carried out everywhere — the number of persons who were the purchasers of Austria's quality ware and articles of luxury has greatly decreased. In all the Central European States the middle classes in particular have become economically weaker — the State and public servants, the former owners of large landed estates, annuitants, house-owners, etc, all of which classes were large purchasers of Austrian goods. As a result of the social changes there has been a change in the character of the demand to which production has had to accommodate itself.

Another unfavourable element for Austrian trade is the competition that has arisen from the new industries in what were formerly Austrian markets, and where goods are turned out en masse. The industries which exported to such markets have been compelled to change the character of their output and to specialize in production.

A partial result of the forces mentioned above is the protective policy pursued in the majority of States, especially where new industries have arisen. This protective tendency manifests itself on the one hand in an increase in import duties, the issue of import prohibitions, a high tax on the turnover of imported goods and specially adjusted transport tariffs. The object of this system is partly to protect new industries and to safeguard the currency by limiting import or by securing an abundant source of State revenue. It often proves, however, that in consequence of these high duties the level of prices in the country imposing them rapidly rises, so that after a comparatively short interval, foreign industries, despite the high duties, can again compete with success against the protected industries.

An unfavourable effect upon export trade is exerted by the still uncertain situation in international trade relations, mainly in matters of credit, lack of legal remedies and also transport difficulties. For Austrian industries as well as, for example, Czechoslovak industries difficulty is presented by the question of granting credits on exports for a long term, especially when it is necessary to compete with countries much stronger in respect of capital.

The obstacles which we have referred to are not, of course, peculiarly Austrian problems but are met with in all industrial, exporting, countries, especially those that have a considerable portion of their market in Central Europe.

These obstacles are often very considerable, in many cases taxes have a directly prohibitive effect, checking import and making it impossible, increasing prices and reducing the market for goods. This applies to the customs of the majority of European States for in almost all of them customs duties are higher than before the War. This, of course, is most felt by the industrial parts of former Austria-Hungary which are faced by the high customs protection in their former home markets. These conditions are also connected with the fact that during and after the War the scope of the industries was almost everywhere considerably enlarged.

Therefore the export trade, too, of the majority of industrial States in Europe has not so far recovered its pre-War level. This applies not only to Austria but also to England, Germany and Czechoslovakia.

Besides high customs duties, import prohibitions and other measures a very unfavourable circumstance is the fact that these conditions are unstable, that various changes frequently take place, so that steady markets cannot well be relied upon, trade must quickly look round for new markets; temporary markets are secured at a time of trade boom and instability and uncertainty introduced into international trade.

Despite these obstacles, however, Austria's export trade is steadily on the increase as is also her export of finished goods. In 1923 the value of Austria's exports was 1129.4 million gold kronen, a figure which rose to 1380.6 millions in 1924, while in the same period the exports of finished goods increased from 915.6 million gold kronen to 1074.5 millions. The proportion of finished goods to the entire Austrian export — calculated according to value — was 81% in 1923 and 78% in 1924. This percentual decline was caused mainly by increased exports of timber and some categories of foodstuffs — a result of the betterment in agriculture and forestry.

The share of the neighbouring and other Central European States in Austria's export trade has also shown no decrease. In the year 1923 the proportion of Austria's exports going to Germany, Czechoslovakia, Yugoslavia, Poland, Hungary, Switzerland, Rumania and Italy was 76.5%, while in 1924 it was 76.6 (calculated according to value).

The returns of foreign trade for 1925 so far issued likewise show a general increase in exports and a growth in the exports of finished goods. In the first quarter of 1925 the value of the exports was 449.8 million schillings (312.5 million gold kronen), as compared with 398.03 million schillings (276.5 million gold kronen) in the first quarter of 1924 — a total increase of 13%. The export of finished goods increased to 392.2 million schillings as compared with 310.2 million schillings in the first quarter of 1924. Besides the increase in the exports of finished goods mention should be made of the increase in the export of magnesium and a large increase in timber exports.

The circumstances which, as already stated, exercise an unfavourable influence at this moment on the market abroad for Austrian goods will be alleviated, on the one hand, automatically by the growing economic consolidation and stabilisation of conditions

in the main markets — conditions dependent on the purchasing power and capacity for consumption of those markets, and, on the other hand, by an improvement in the credit situation in the Austrian industries as well as, finally, by the conclusion of commercial and, particularly, tariff, treaties.

A considerable alleviation in these conditions would certainly be brought about if a liberal tendency in the world's commercial policy were to be pursued in greater measure.

VII.

THE TRADE BALANCE.

An unfavourable aspect of Austria's economic situation is seen in the unfavourable balance of foreign-trade, the deficit amounting in 1923 to 792.7 million gold kronen, and in 1924 to 1031.7 million gold kronen. From this the deduction is made that Austria cannot make the deficit good, that the country's balance of payments — her invisible exports and imports — must be permanently unfavourable, and that Austria is thus incapable of existence.

Against this view it is necessary to state that the abnormal economic situation of Austria must of necessity show itself preeminently also in her foreign trade. A formal objection may also be raised as to the reliability of the statistics, for it was not till 1924 that Austria introduced the declaration method, while previously the method of estimate had been employed for ascertaining the value of the foreign trade. It is often assumed that export was over-favourably treated as compared with import. The statistics, further, do not give large quantities of goods which, especially in earlier years, tourists took out of Austria among their personal luggage. These items are certainly very considerable. The increase in imports is also connected with the necessary renewal of industrial plant and equipment, with the transition to normal economic

conditions, with the completion of stocks and especially with the results of inflation which encouraged great consumption and thereby also a larger import of finished goods. Increased agricultural production also at first encouraged the import of certain commodities (artificial manures, seeds, grain for sowing, agricultural machinery). Similarly the boom and speculation fever of the year 1923 produced a great direct and indirect consumption in 1924 when the increase in consumption was very marked in Vienna. In 1924 increased import and a rise in domestic prices, was also caused by the liquidation of the speculation in francs. Increased import was also a consequence of the influx of foreign credit. The foreign trade balance in neither 1923 nor 1924 can therefore be regarded as a normal reflex of Austria's trade position. This is proved also by the character of the imports in these years. In 1923, 26% of the entire imports consisted of foodstuffs and beverages, 35.8% of finished goods, and only 31.5% of raw materials and mineral fuel. In 1924 foodstuffs and beverages accounted for 26.8%, finished goods for 36% and raw materials and mineral fuel for only 29.4%. This constitution of the imports reflects the influence of an exaggerated consumption and the unhealthy boom caused at that time by successful speculation.

In 1925 the first quarter of the year shows already signs of a return to normal conditions, to the necessity of securing an equilibrium between income and expenditure, of creating values and checking the consumption of capital. The deficit in the foreign trade balance for the first quarter of 1925, as compared with the first quarter of 1924, has fallen from 368.27 millions to 159.32 millions, that is, by 208.95 millions schillings. Whereas in the first quarter of 1924 the value of exports amounted to only 51.9% of the value of the imports, that in the first half of 1925 was 73.8% of the total import. The beginning of the change is to be seen also in the constitution of the trade balance. In

the first quarter of 1924 imports of foodstuffs amounted to 24.3% and those of finished goods to 34.3%, while in 1925 these figures were 22.8% and 31.7% respectively. On the other hand, the proportion of imports of raw materials increased from 23.8% to 24.8%. According to the development to far, it is to be assumed that *in a normal year of stabilized conditions the unfavourable trade balance will be substantially lower than was the case in 1924.*

For the future, however, the foreign trade balance can make further substantial improvement. The main source of the deficit in Austria's trade balance is the import of foodstuffs and coal. Of the total deficit of 1031.7 millions in 1924, the imports of coal, foodstuffs and beverages accounted for 813 million gold kronen. In the first quarter of 1925 the unfavourable balance of trade was 159.32 million schillings, the deficit in foodstuffs and coal 188.2 millions, so that the deficit in foodstuffs, beverages and coal was greater than the deficit in foreign trade taken as a whole.

The proportion of coal imports to the entire import (according to value) was, in the year 1922, 11%; in the year 1923, 10% and in 1924, 8.1%. Home output in the last few years has covered 20% to 30% of the whole consumption of coal (Austrian brown coal is here calculated in the proportion of 2 quintals as equal to 1 quintal of hard coal, and Bohemian brown coal as 3 quintals to 2 quintals of hard coal). Were the Austrian industries fully employed the home output would meet a less proportion of the home consumption. An increase in the output of Austrian coal is hardly to be looked for on any considerable scale. Certain economies can be attained by technical progress in the science of heating. It is estimated that in this way an economy of some 10% to 15% may be made in coal consumption. Thus, for example, on the Austrian State railways in 1923 the consumption of coal was 188 tons per 1000 kilometres, whereas in 1925 the amount was only 155 tons. In this economy lies a possibility of

offsetting to some extent the necessity of importing coal to Austria.

THE DEVELOPMENT AND UTILIZATION OF WATER POWER.

Austria's coal import may, however be mainly lessened by the development of the country's water power and its utilization for electrical energy. According to official figures Austria possesses water power which may be made available (at low water) to the extent of 1,657,000 HP. Up to the year 1920 the amount actually availed of was only 172,000 HP. Up to June 1924 some 220,000 HP had been added, while 66,000 HP was in process of construction, so that there remained to be made available (at low water) 1,371,000 HP. Since that date some constructions have been completed and a commencement made on new ones. It is estimated that the use of the water power made available since the revolution now represents a yearly saving of coal to the amount of 800,000 tons. Switzerland, according to figures given by Schnyder von Wartensee has now harnessed water power to the amount of 1,200,000 HP, representing a saving of about 4,000,000 tons of coal per annum. In the case of Austria it is estimated that by the utilisation of water power an economy could be made of 40—50% of the present consumption of coal.

With the gradual utilisation of the country's water power the necessary imports of coal will diminish and the trade balance will benefit. It is, of course, essential to take care that the water-power constructions be carried out very economically, that for this purpose no special foreign credits or credits carrying a high rate of interest be raised, otherwise the country's balance of payments on the one hand will be adversely affected for the future, and on the other hand, the energy supplied to the industries would be costly. If the right course be taken, the development of Austria's

water power will provide Austrian production with a cheap motive power, will open up numerous possibilities of starting new industries. The development of water power will also beneficially influence the development of agriculture.

INCREASING AGRICULTURAL OUTPUT.

A second main item in Austria's unfavourable balance of trade is the import of foodstuffs and beverages, and an improvement in this respect can be secured by a development of Austrian agriculture. It has been calculated for the year 1923, that if in that year the yield of Austrian agriculture had been on the level of pre-War years the imports of foodstuffs and beverages would have been lower by about 120 million gold kronen. As it may be presumed that within a short period Austrian agriculture will attain the pre-War output, this fact will not only tend to lessen the foreign trade deficit but will also increase the purchasing power of the agricultural class and thus in turn improve the market for industrial output. During the past year a tendency in this direction was observable especially with regard to potatoes and sugar.

The pre-War state of agriculture in present Austria, however, was by no means of a high level, especially in comparison with other countries. Austrian agriculture has ample room for development and increasing output, as may be seen from a comparison with the advanced state of agriculture in Switzerland.

As regards increasing the area under grain this is not possible on any large scale in Austria, although an increase could be secured partly by concentration (commassation) and by improving and reclaiming land. According to an official estimate, commassation is necessary in respect of 670.000 hectares of land, and the carrying out of this step would increase the value of the land to an extent equivalent to the worth of 220.000 hectares of arable land. The total saving in

working expenses would suffice to run 24.000 medium-sized farms. Finally, commassation would make about 10.000 hectares of productive land available for intensive cultivation. The area of land needing improvement, reclaiming, or irrigating is estimated at 450.000 hectares. The land awaiting improvement represents in Upper and Lower Austria 12% of the entire area of those provinces, in Salzburg 15%, in Styria and Carinthia 11%, in the Tyrol and in Vorarlberg 6%. In this department some progress has already been made, 3.100 hectares having been improved in 1924, while in 1925 the area to be improved is 4.500 hectares.

An increase in production can be attained mainly by increasing the intensity of cultivation, especially by making greater use of artificial manures, agricultural machinery and improved and selected seeds. Proof of these possibilities is seen in the difference between the yield in Switzerland and Austria in 1923.

Yield in quintals per hectare:

	Wheat	Rye	Barley	Oats
Switzerland	20.6	21.5	16.1	21.6
Austria	12.6	10.0	12.7	11.6

It is estimated that by increasing intensity of cultivation, the Austrian grain yield could be raised by 25% to 30%, which means that Austria would herself provide three-fourths of the grain required for home consumption as food and fodder.

With regard to potatoes too the yield per hectare in Austria is far behind the yield in Switzerland. In 1923 the yield per hectare in Austria was 94.5 quintals, in Switzerland 141.8. As already mentioned, the present yield of potatoes in Austria already meets 98% of the home consumption. An increase in the intensity of cultivation would enable larger supplies to be provided for agricultural industry, which would also have a favourable influence on the production of valuable fodder. Intensity of production has of late made the

most progress of all in the case of sugarbeet, and a further increase in the area under cultivation as well as in the yield is still possible.

In respect of meadowland, pastures and alpland and in cattle-rearing there is great room for improvement. The yield of hay from permanent meadow in Austria in 1924 was 35.3 quintals per hectare; in Switzerland the average for the years 1917—21 was 74 quintals. The difference is due in part to the disparity in the use of artificial fertilisers in the two countries. In 1914 Switzerland used 53 kilogrammes per hectare, Austria 29 kg per hectare. Assuming an increase in the intensity of cultivation and an improvement of the area of meadowland needing improvement (200.000 hectares), the yield of hay could be increased by 12 to 16 million quintals annually. An increase in the hay crops and those of other fodder together with an extension of the yield of corn, potatoes, beetroot and of agricultural industry, would certainly have a favourable effect upon live-stock breeding. In number of live-stock Austria again falls considerably behind Switzerland. Per every square kilometre of productive land the two countries possess respectively:

	Austria	Switzerland
Horses	37.5	41.8
Cattle	28.7	44.5
Cows	14.2	23.3
Pigs	19.5	19.5

A development of cattle breeding can on the one hand diminish the imports of meat and animals for slaughter and on the other hand increase the export of horses, and cattle for breeding purposes.

There are also considerable possibilities for Austria in dairy farming. First of all it is certainly possible to increase the milk producing quality of the cows which is 50% behind that of the Swiss cows. Further, it is necessary to improve dairy farming in the Alps

and to organise and encourage the setting up of modern dairies so as to increase the production of butter and of cheese. It is assuredly remarkable that a land with such favourable conditions for cattle-rearing should have had an unfavourable trade balance in 1924 in respect of butter to the extent of 6.5 million gold kronen, and in respect of cheese to the amount of 11 million gold kronen. These adverse items could certainly be got rid of by an improvement in dairy-farming. It should be noted in this connection that in milk production Austria has made considerable progress in the last few years.

A preliminary condition for this possible improvement in agricultural production in Austria is, on the one hand, encouragement and support on the part of the authorities especially in the direction of setting up schools and imparting instruction, while on the other hand it is urgently essential that the agricultural interests should obtain, on more favourable terms than hitherto, long term credits for the purpose of improvements, construction, etc.

An improvement and extension of agricultural output will not only have a favourable influence in the direction of diminishing the foreign trade deficit, but will mean an increase in the entire national production and thus in the national income as a whole, increased purchasing power on the part of the agricultural population, a better market for industrial output and an extension of the home market.

Of course it is to be expected that there will be an increase in industrial output, especially in connection with the utilisation of the country's water power which will provide new opportunities for increasing the number of industrial concerns. But even full employment in the Austrian industries as they are would substantially reduce the present unfavourable balance of foreign trade.

From the analysis made above it will be seen that

the trade balance, under normal conditions, will not by a long way be so unfavourable as it has been in the last few years, and that Austria has the possibility of balancing the deficit by increasing her agricultural production. But even an unfavourable foreign trade balance does not in itself signify an unfavourable economic situation, for it is possible for Austria to make the deficit good by her invisible exports — the favourable items in her balance of payments.

VIII.

AUSTRIA'S BALANCE OF PAYMENTS.

The main assets in Austria's balance of payments are the following:

1. Interest on capital invested abroad. This consists of dividends, directors fees, and bonuses, and the profits of the industrial, trading and banking businesses in which Austrian subjects and concerns have an interest. This category of Austrian property is very considerable.

2. Tourist traffic. If systematically supported and capital invested in it, tourist traffic is capable of further considerable development, but it must not, of course, as is the case now, be clogged by the taxation of rooms let to strangers, by the levying of a luxury tax on restaurants and places of entertainment etc., patronized mainly by foreign visitors.

3. Income from transit trade, commission transactions, forwarding agency earnings, bank transactions, income from intellectual activities, music, etc.

4. Transit communications.

5. Money sent to the homeland by emigrants abroad.

The total yield of all these items for present Austria in the year 1913 was estimated by Dr. Hertz, on the basis of official statistics, particularly those issued by the Ministry of Finance touching taxation yield, at about 1000 million gold kronen. Income from capital

was estimated as follows: dividends 97 million gold kronen; from private undertakings 446—685 millions, and from agricultural undertakings 55 millions.

An estimate as to the amount of the individual items of invisible export is at the present moment very difficult to arrive at, though in one or two items it is nevertheless possible to a certain extent.

Moneys sent home by emigrants since the War are estimated at about 14 million gold kronen annually. Transit freights on the Austrian railways yielded, according to official statistics for 1923, a sum of 17 million gold kronen. The yield of transit trade and profits from commission transactions are now estimated at about 100 million gold kronen per annum. In 1923 the number of foreigners visiting Austria was 647,179; in the year 1924 up to the end of October the number was 946,218, so that it may be taken for granted that the number of foreigners visiting Austria in 1924 was about 1,100,000. The average stay of each foreigner was $5\frac{1}{2}$ days, and it is estimated that the country's income from this tourist traffic in 1924 was between 100 and 120 million gold kronen. This income is largely augmented by the large purchases of goods made by foreigners and taken by them personally out of the country. The outlay of Austrians visiting foreign countries, calculated on the basis of passports issued in the year 1924, would only amount, on the other hand, to some 20 million gold kronen. The items dealt with in this paragraph would thus represent an income for the country of over 250 million gold kronen per annum.

Income from capital investments has suffered considerably from the small yield of undertakings since the War, and from the social convulsions, while a considerable quantity of shares held by the Austrian public have also been sold. Moreover, Austria's economy is estimated to have debts to the amount of 200 million gold kronen, while there is also the interest on the finance reform loans to be paid. Nevertheless the in-

come from capital invested abroad is considerable, as is proved by a survey of the list shewing the foreign enterprises in which the Vienna banks have interests. Private holding of shares in foreign companies, especially those of Czechoslovakia, is likewise considerable. Dividends and directors' fees, etc, paid to Austria last year (1924) from Czechoslovakia alone amount to about 200 million Czechoslovak crowns (some 28 million gold kronen). Incomings to Vienna from private holdings abroad are even larger. Large too are the incomings from the financial undertakings abroad of the Vienna banks. It is assumed that the favourable balance of Austria's invisible payments now amounts to 400—600 million gold kronen annually, and this sum is likely to increase as the undertakings abroad in which Austrian capital is invested will bring in larger yields as the economic conditions in the foreign countries in question move towards consolidation. The considerable yield of income from these sources is also attested by the development of affairs in 1924 when, despite an unfavourable balance of 1032 million gold kronen in the foreign trade balance and despite the fact that considerable losses sustained in connection with the franc speculation on the Bourse had to be met, the reserve of foreign bills and currency and gold at the National Bank increased by 16.2 million schillings. The adverse items just mentioned were set off by the sale of foreign securities, and the acquisition of foreign credits, but more particularly by the yield of the above mentioned favourable items of invisible export. It is thus possible for Austria to meet an eventual unfavourable balance of foreign trade by the assets in her invisible export.

CONCLUSION.

I.

From what has been advanced so far it is clear that the economic system of Austria possesses many rich sources capable of further development. Besides agriculture which occupies a large proportion of the population of the country and is at the beginning of a favourable development, and besides advanced industries with a good footing in the world's markets capable also of further development, there are the banks, there is international trade and there is the tourist traffic which together are responsible for a large proportion of Austria's national income.

The causes of the present unfavourable economic situation are of three kinds: general causes issuing from the economic situation of the world as a whole, foreign causes affecting Austria in particular, and internal causes in Austria herself. The unfavourable conditions in world trade, the decline in the foreign trade of many countries, reduced production and, as its result, reduced consumption, increased apparatus of the industries and a policy of protection have an influence also on the situations of Austria. In the case of Austria there are, in addition, (as in Czecho-slovakia) special external causes, i. e. the still unsettled conditions in the main markets (in Central Europe), the interruption of former economic connections, unfavourable conditions for securing markets for high quality ware, and finally there are the internal causes in Austria.

In 1925 a gradual improvement in the economic situation is observable. The Austrian currency is quite stabilized and has been brought to a fixed relation to gold, the gold and valuta reserves are rising, the domestic level of prices is fairly stable, the index number of wholesale prices (calculated in gold parity) was in January 138, in April 134 and in July 137. The State finances (except for expenditure on works of public utility, construction, improvements, etc, which is met by the League of Nations loan) are balanced, and the actual yield of taxation is in excess of the estimated yield. Export, as compared with 1924 is on the increase, the unfavourable balance of foreign trade is declining, the amount of unemployment is diminishing, and by degrees industrial employment is improving. The majority of enterprises paid a dividend also for 1924. The main undertakings overcame the Austrian crisis comparatively well. The present situation will further improve with the development of the country's water power. Agriculture is developing favourably and this circumstance will react satisfactorily upon industrial production and upon trade. The credit situation is substantially more favourable than it was, thrift is increasing and the high rates of interest charged are coming down. Economic life on the whole is largely stabilized and the process of consolidation is proceeding, aided by the growing consolidation in the neighbouring States.

In order to overcome the crisis it is of course essential to reduce both external and internal difficulties. The difficulty of finding markets abroad is due to diminished purchasing power there, to industrial over-production and to the policy of trade protection, but it will diminish with the gradual improvement of the economic situation especially in Central Europe, and with the conclusion of customs tariff treaties.

These difficulties are great and are felt all the more burdensome if a trade crisis exists. The situ-

ation would be considerably alleviated if a change to a more liberal tendency took place in international commercial policy. A more liberal commercial policy would in many countries check a further extension of industry that is partly unproductive, would reduce the shortage of capital, would facilitate and increase international trade and, as a result of this, also the output in individual states. By an increase of international trade and facilitation of exchange of goods the need in several countries would be lessened of an economic readjustment and thus, too, losses of capital would be avoided. The states impoverished by the War would need to have the opportunity of utilizing all the means of production hitherto at command, in order to facilitate the international distribution of work, to avoid the necessity of a further partial unproductive use of capital. This question touches all countries; it is not merely an Austrian question, but in Austria for various reasons these difficulties in certain details are felt more acutely.

To lessen the internal difficulties it will be essential to attain a greater intensity of output and a greater competitive capacity on the part of Austrian output in the world's markets so as to reduce costs of production. In the first place, among the obstacles to be overcome are the high rates of interest charged for short term credits and a lack of capital for construction and improvement and for bringing industry and agriculture up to date in respect of technique; it is also necessary to readjust social policy in several directions, so as to proportion the social burdens to the present economic conditions, and finally to introduce sound management and strict economy into the affairs of the provinces and communes as has been done in the case of the State. If this course be pursued the capacity of Austria's industries to compete will be increased, costs of production will be lowered—and this will certainly lead to better employment, to in-

creased production and therefore to cheaper production.

It is essential to bear in mind that in the existing economic situation in Austria it is a matter of the recovery and upbuilding of an economic system after a great crisis, especially an inflation crisis, and of increasing capital which cannot be provided in any artificial way but only gradually by means of savings. It is therefore a welcome sign that of late the savings in the banks have been growing rapidly, for this will bring great relief to the economic situation. In this connection it is essential to maintain the right proportion between production, income and consumption. Great effort must be put forward in every direction to improve production, to improve and specialise organisation, to increase intensity of output, to extend existing markets and to leave no stone unturned in the search for new markets, and to organise export.

All this of course means pursuing the path of gradual strengthening, of gradual rise which carries with it, of only temporarily, a lowering of the standard of living for all classes. But it is only this path that can lead to increased production, to a betterment of the existing situation and that will bring about possibly a partial change in Austria's economic structure in which, in the future, greater emphasis will be laid upon production.

It is possible, however, for Austria to overcome this crisis: she has a wealth of economic resources, she can produce and she can employ her workers, she can balance her foreign trade and her invisible exports and imports, she is capable of existence, even if the crisis she has passed through has led over considerable obstacles and has entailed losses. In this transition period on the way to complete economic consolidation which can only be attained by persevering effort and energy, Austria will need and will be able to obtain the foreign credits to alleviate her situation and to accelerate her progress to that consolidation.

II.

COMPARISON OF PRESENT ECONOMIC CONDITIONS WITH THOSE EXISTING BEFORE THE WAR.

After having analysed the basic features of Austria's economic structure and having reviewed the existing economic situation and the main causes of the crisis, it remains to compare the present economic conditions with those existing previous to the War in former Austria — a comparison which will prove Austria's capacity for independent existence. The total annual income of present Austria before the War was estimated by Dr. Hertz at not less than 4400 million gold kronen. Of this income some 3000 millions resulted from industrial handicraft, agricultural, mining and forestry output, 650 millions from the value added to production by the activities of transport and commerce, while the income which is represented by the items of Austrian invisible export to-day is estimated at 1000 million gold kronen. This total income, which, as we have already shown, was by no means a low one compared with Germany's pre-War income, secured complete capacity for existence to the territories now forming Austria.

The population of present-day Austria secured their income mainly from the production of raw materials and manufactures, the majority of the inhabitants being employed in this output (in 1910 the proportion was 75% of all earners).

A further source of income was that from commerce, banking and transport, in which branches 17% of all earners were engaged, while *only 8% were employed in the public services and in the liberal professions*. A considerable source of income was provided by tourist traffic.

It remains to be investigated what changes took place on the collapse of the empire in these sources

of income, and in the opportunities for work and occupation on the part of the population of Austria.

First of all there remained the sources of industrial and handicraft production and the output of *raw materials* which are the basis of existence for at least *three-fourths of the Austrian population*. These sources remained substantially unchanged, though of course the industries were obliged to accommodate themselves to the new circumstances by adapting output, by specializing, and also by seeking new markets.

Austrian *commerce* too, which, together with the transport trade and the banks employ a further 17% of all earners (the two groups employ therefore 92%) maintained its bases of existence, while after the War in the new Austria transit trade indeed was largely expanded and the international functions of the Vienna corn exchange also increased. The same applies also to transport activities.

The *Austrian banks* have lost their independent activities in the Succession States, but the majority of their employees remained in the former branches which were converted into new institutions. The Vienna banks, however, maintained their international significance and secure, on the one hand, funds for Austria's economic activities and on the other hand provide occupation for the clerks and officials. Owing to their international position the Vienna banks could employ in Austria almost the same large number of clerks, etc., as they employed, before the War in what is present Austria. The increase in the number of bank employees during the inflation period must of course be left out of account.

Austria, and mainly Vienna, has been weakened by the transfer of the head offices of industrial undertakings into the Succession States, by a decrease in the number of employees in the central departments of Government and by the loss of the Court and of the army. The transfer of the head offices of industrial undertakings does not however, imply a com-

plete loss, for almost all these undertakings left a considerable representation in Vienna, besides which the undertakings took with them to their new headquarters a large number of their old employees, so that a proportional number of these persons were taken over whose source of income was removed.

The reduction in the number of official employees is of consequence mainly in so far as these officials drew their income from the resources of the other States of former Austria. The disappearance of the former imperial Court and army is a sensible loss, particularly to commerce and trade as well as for the industries which made supplies for the army. This applies indeed generally to the Government contracts of former Austria, in so far as the Austrian industries received a larger proportion of these contracts than they were entitled to as against the industries in the other countries of former Austria.

The changes in question have also affected the liberal professions, for example, the lawyers who represented undertakings that are to-day outside the Austrian frontiers, engineers and others. But even to-day the activities of persons following the liberal professions in Austria extend largely beyond the country's frontiers.

From this outline it is to be seen that the reduction of sources of income as a result of the changes brought about by the collapse of the old empire affects *banking* to a relatively small degree. *The reduction is more pronounced as a result of the transfer of the head offices of those undertakings the greater part of which is outside the frontiers of Austria, as a result of the cessation of payments into the central departments of the former Austrian administration, of the disappearance of a great army and the loss of consumption represented by the former imperial Court.* A consequence of this reduction of income is first of all a reduction of employment of clerks and officials in banking and in the industries as well as

in the liberal professions, the necessity of reducing the number of State employees, a step which has already been largely carried out and must increase the demand for openings for such employees. The lessened consumption on the part of these classes has affected mainly the small trades and commerce, and in a less measure industrial output.

In respect of the other sources of income there have been no great changes. This applies in particular to tourist traffic, transit trade and transport, and income from capital invested abroad.

From this review it is also clear what direction must be taken in adapting the economic structure of Austria so as to *compensate for the lost sources of income* and provide new opportunities of employment. (The majority of European countries after the War were compelled to make such adjustment, more particularly the newly established States, and everywhere the step called for considerable sacrifices.) This adjustment is needed then on the one hand in the industries, as has been shown, and in a less measure in the smaller branches of production, in a pronounced degree in the case of clerks and officials of all kinds, especially in Vienna.

The decline in income affects only a small part of Austria's national incomings, and the necessity for the adjustment mentioned affects both relatively and absolutely but a small percentage of the persons who are actual earners. It is possible for Austria to carry out this adjustment and reorganisation. *By increasing industrial and particularly agricultural production* she would provide employment for the workers now unemployed and also for a proportion of the out-of-work clerks and officials. Mainly by improving agricultural output, by developing the cooperative system and agricultural industries employment could be found for a large number of such employees who must, of course, be provided with the necessary training. There is another considerable opening for such

personnel in the development of the country's water power resources, in the extension of tourist traffic and in Austria's role of middleman in international trade.

In order actually to carry out this adaptation to the new conditions—an adaptation which is quite feasible—there is needed, besides capital, an *appropriate economic policy and indefatigable effort*. Up to the crisis of 1924 such a policy had, on the whole, not existed, and therefore we were justified in designating the present situation as a transitional one leading towards the adjustment mentioned above. As the main precondition is an improvement in production and commerce it is essential that both the *internal and external obstacles* already mentioned as standing in the way *should be gradually reduced and removed*. After the carrying out of a gradual reorganisation Austria's economy will, with the passing of time, take on other forms, and will, more than ever before, depend upon the country's own home production. The readjustment will by degrees rid the country of unemployment and of that aspect of the crisis connected therewith.

Ing. J. Dvořáček:

AUSTRIA.
AND ITS ECONOMIC
EXISTENCE

AUSTRIA'S COMMERCIAL POLICY.

On the first of January 1925 Austria put into force her new Customs Tariff of September 5th 1924, and with that step began even in a formal aspect, a new stage in the commercial policy of the country, made necessary and possible by the advancing consolidation in both economic and currency conditions. The new autonomous tariff replaced the tariff of the former monarchy the items of which, with some certain exceptions, had been, up to the 1st of January last, utilized on the whole with the coefficient of 10.000 or, in the case of luxuries, with the coefficient of 14.000. The new customs tariff represents an adaptation of customs protection to the existing economic conditions in Austria and, with the general turnover tax levied on import into Austria, constitutes at the same time the basis of Austria's treaty policy.

On the whole it represents increased tariff protection, on the one hand for several old industries, and on the other hand for certain new branches of production which have arisen in Austria. For certain species of goods in which present Austria is not interested the duties have been reduced.

On the whole it represents increased tariff protection, on the one hand for several old industries, and on the other hand for certain new branches of production which have arisen in Austria. For certain species of goods in which present Austria is not interested the duties have been reduced.

On this basis and that of most-favoured-nation treatment, Austria is concluding commercial treaties in-

cluding customs tariff conventions, and the reductions fixed by negotiation constitute the Austrian conventional tariff.

The first tariff treaty made by Austria was the commercial and navigation treaty concluded on the 28th of April 1923 with Italy. It was followed, on the 22nd of June 1923, by a commercial treaty with France. Both these treaties had been negotiated on the basis of the duties fixed in the customs tariff then drafted, as was also the tariff convention with Germany, concluded on the 12th of July 1924 at Prague, and the extensive tariff convention with the Czechoslovak Republic, signed at Vienna on the 27th of November 1924, in the form of a supplementary agreement to the Austro-Czechoslovak commercial treaty concluded on the 4th of August 1921. In 1925 Austria has concluded (3rd February) a commercial treaty with Spain which also includes a tariff section. The remaining commercial treaties concluded by Austria in the past two years, apart from one with Belgium, are rather of general character and contain the most-favoured-nation clause. Austria naturally on her part endeavours to secure the most-favoured-nation clause for her goods in foreign countries, for the basic condition of capacity to compete in foreign markets is equal tariff treatment with competitors.

It must be admitted that the Austrian Government spares no pains to adjust Austria's relations to other countries in the sphere of commercial policy, and thus to improve conditions for the export of her manufactures.

This is best illustrated by the fact that Austria has adjusted her relations in this respect by concluding agreements with practically every State in Europe, her commercial treaties with France, Italy, Czechoslovakia, Belgium, Germany, Spain, Greece and Yugoslavia (the last named signed in August of this year) including important customs tariff sections.

The most important markets for Austria are the

neighbouring States together with Poland and Rumania, for to these countries she sends more than three-fourths of her entire export. Austria exported to:

Destination:	% of entire export		In 1000's of gold Kr.	
	1923	1924	1923	1924
Germany	13.0	13.1	146.515	179.810
Czechoslovakia	10.3	11.0	11.243	150.592
Yugoslavia	13.2	10.4	147.976	142.402
Italy	9.2	10.2	102.882	139.510
Poland	8.0	9.9	89.422	134.906
Hungary	8.3	8.8	92.868	120.496
Switzerland	7.0	6.6	78.141	90.882
Rumania	7.5	6.6	84.379	90.673
Total	75.5	76.6		

Austrian exports to the surrounding countries taken as a whole, showed a substantial advance in 1924. Compared with 1923 the increase was:

In export to Germany	22.7%
Czechoslovakia	29.8%
Italy	35.5%
Poland	50.9%
Hungary	29.8%
Switzerland	16.3%
Rumania	6.9%

Let us examine more closely the adjustment of economic relations between Austria and these neighbouring States. As regards *Czechoslovakia* a commercial treaty with that country was concluded on the 4th of May 1921 based on most-favoured-nation treatment. This treaty was supplemented by a convention of the 27th November 1924 containing extensive tariff provisions, and adjusting the export and import regime between the two countries practically in the sense of decontrolled trade.

Import from Austria to the Czechoslovak Republic is practically free from control, only in some few cases being a formal declaration or licence necessary. As re-

gards customs, Austria is granted on goods in which she has special interest—and these include some one-third of the items on the Czechoslovak customs tariff—a tariff reduction on their entry into Czechoslovakia. These comprise industrial output, especially textiles of every kind, wearing apparel, paper and paper goods, rubber goods, leather and leather goods, wood manufactures, iron and hardware, tools, utensils, various machinery, common metal ware, electrical machinery and instruments, automobiles, musical instruments and various chemicals. The customs reductions are mostly considerable, the majority amounting to 50% while numerous others even largely exceed that proportion.

The practical liberation of import and the considerable customs reductions provided for in the new tariff agreement between Czechoslovakia and Austria naturally have had the effect of increasing Austrian exports to Czechoslovakia, as the following table will show:

Import to Czechoslovakia from Austria in Czechosl. crowns:			
In the month of	1923	1924	1925
January . .	25.731.947	65.295.693	86.721.898
February . .	35.770.993	85.138.933	105.836.806
March . .	47.726.938	95.486.285	100.676.795

Austrian export to Czechoslovakia will maintain its rising tendency, for the conclusion of further tariff conventions which Czechoslovakia is now negotiating will still further improve Austria's position through the operation of the most-favoured-nation clause. Besides, in a second supplementary agreement concluded between Czechoslovakia and Austria on the 27th of July 1925, Austria is granted further reductions in 18 important customs items representing, for the most part, her standard output.

Czechoslovakia's trade with Austria shows a balance in favour of Czechoslovakia. In 1924 this favourable balance was 391.1 million gold kronen. Finished goods

accounted for 59.3% of the entire Czechoslovak export to Austria, the rest consisted of foodstuffs, mineral fuel, raw materials and semi-manufactures. From the statistics of trade between the two countries it is clear that Austria exports to Czechoslovakia the more valuable goods. The average value of 1 quintal of the goods exported in 1923 from Austria to Czechoslovakia was 41.60 gold kronen, whereas the average value of 1 quintal exported from Czechoslovakia to Austria was only 17.57 gold kronen. In the first half of 1925 the proportion, as deduced from the figures issued by the Czechoslovak official Bureau of Statistics (reckoned in gold kronen), was a value of 46.30 per quintal for goods imported from Austria to Czechoslovakia and a value of only 18.70 gold kronen per quintal for goods exported from Czechoslovakia to Austria.

The share of finished goods in Austria's exports to Czechoslovakia amounted to 70%, and the balance in finished goods in 1924 adverse to Austria was about 208 million gold kronen.

This fact cannot be rightly appreciated without regard being had to the economic relations between the two countries as a whole, and in particular without an examination of the balance of payments as between the two.

While Czechoslovakia has a favourable balance of trade as against Austria, the following items of the balance of payment are in favour of Austria: interest on capital invested in Czechoslovakia, transit trade, profits of commission transactons, banking and insurance, tourist traffic and the export of quality goods taken out of the country by visitors as personal luggage, and finally transit transport. The balance of incomings on these items in favour of Austria as against Czechoslovakia may be estimated under present conditions, as at least 1000 million Czechoslovak crowns, that is, more than 140 million gold kronen, (of this sum, interest on investments accounts for about 350 million Czechoslovak crowns, profits on transit trade,

banking and other intermediary business likewise for 350 millions, while the rest is accounted for largely by tourist traffic and the goods taken out of the country as luggage.)

In this connection it is clear that Czechoslovakia's favourable balance of trade as against Austria has to meet the adverse balance accruing from other items of the mutual balance of payments.

Austria's trade relations with *Germany* are very intense and in extent only exceeded by Austria's relations with Czechoslovakia. In Austrian export, Germany occupies first place, and in Austrian import stands second to Czechoslovakia.

Austria imported from Germany:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	461	4.675
Foodstuffs and beverages . . .	14.463	20.690
Mineral fuel	2.691	10.169
Raw materials and semi-manufactures	52.594	43.798
Manufactures	274.400	278.892
Total	344.609	358.224

Austria exported to Germany:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	4.180	2.978
Foodstuffs and beverages . . .	3.380	45
Mineral fuel	83	45
Raw materials and semi-manufactures	41.706	47.879
Manufactures	97.166	144.019
Total	146.515	179.810

From the above figures it is seen that Austria's trade balance as against Germany is unfavourable. In 1923 this adverse balance amounted to 198 millions and in 1924 to 178 millions gold kronen. Manufactures

constituted 70% of the total German export to Austria; but only 63.5% of the Austrian export to Germany. The unfavourable balance against Austria in respect of finished goods in 1924 was 165.6 million gold kronen.

Austria concluded a commercial treaty with Germany on the 1st of September 1920, which was supplemented by an additional convention on 12th July 1924, this latter including also some tariff provisions.

The two States concede each other most-favoured-nation treatment in respect of customs, customs formalities, export and import regime and excise duties. A definitive tariff agreement is to be concluded later.

With regard to *Italy*, this country in 1923 was fourth on Austria's import list, and, in 1924, fifth. In Austria's export in both years, Italy occupied fourth place on the list, (coming after Germany, Czechoslovakia and Yugoslavia), and Austria's balance of trade in 1924 as against Italy was unfavourable to the extent of 33.2 million gold kronen.

Austria imported from Italy:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	84	57
Foodstuffs and beverages	70.404	108.962
Mineral fuel	—	—
Raw materials and semi-manufactures	45.646	34.532
Manufactures	17.465	29.159
Total	135.599	172.710

Austria exported to Italy:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	6.090	5.707
Foodstuffs and beverages	1.614	1.673
Mineral fuel	102	127

	in 1000's of gold kronen in 1923:	in 1924:
Raw materials and semi-manufactures	44.833	75.926
Manufactures	50.243	56.077
Total	102.882	139.510

Austria concluded with Italy on the 28th of April 1923 a commercial treaty with a tariff section in which Italy was granted most-favoured-nation treatment with respect to customs. Italy in return granted Austria like treatment in respect of all important Austrian products.

Austria is an important market for Italian fruits, vegetables, wine, etc. The value of Austria's imports of foodstuffs and beverages from Italy in 1923 was 52.7% of the whole Italian import, and in 1924, 63%.

In Austrian export trade to Italy the first place is taken by timber. In 1923, the value of timber exports to Italy was 32,766,000 gold kronen, and in 1924 this export increased to 54,421,000 gold kronen. Next on the list comes paper pulp, the exports of which to Italy rose from a value of 8,097,000 gold kronen in 1923 to 13,844,000 gold kronen in 1924. Only after those two items comes the export of manufactures, for example, iron goods, machinery, wood manufactures, etc.

Austria's trade with *Yugoslavia* is brisk.

Austria imported from *Yugoslavia*:

	in 1000's of gold kronen in 1923:	in 1924:
Live stock	27.984	25.832
Foodstuffs and beverages	44.996	57.858
Mineral fuel	1.588	1.926
Raw materials and semi-manufactures	18.924	14.424
Manufactures	4.785	4.961
Total	98.277	105.021

Austria exported to Yugoslavia:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	47	27
Foodstuffs and beverages	771	811
Mineral fuel	653	769
Raw materials and semi-manufactures	8.556	8.785
Manufactures	137.949	132.010
Total	147.976	142.402

Austria stands first on the list of countries importing to Yugoslavia. In 1923 imports from Austria amounted to 26.9% of the total Yugoslav import trade. Then follows imports from Czechoslovakia with 18.5%, Italy with 17.7%, and England with 9.9%. In 1924 Austria maintained her place at the head of the countries importing to Yugoslavia. In Austria's export trade, Yugoslavia occupied first place in 1923, and third place in 1924 (after Germany and Czechoslovakia).

With the Kingdom of the Serbs, Croats and Slovenes, Austria concluded on the 27th of June 1920 a provisional commercial agreement which came into force on the 7th of December 1920. The agreement provides for the operation of the most-favoured-nation clause in customs, in the regulation of import and export, in respect of internal duties, etc. This agreement was prolonged in July 1923, and was to remain in force until a commercial treaty with customs tariff provisions should be concluded. Negotiations for such a treaty were concluded in August of this year, and ended in a tariff convention being signed which is sure to have a favourable influence on the future of trade relations between the two countries. Austria's trade with Yugoslavia shows a favourable balance, owing mainly to the decisive rôle played by the export of manufactures from Austria to Yugoslavia.

The character of Austria's trade relations with *Hungary* is analogous to that with *Yugoslavia*, but complicated by the fact that *Hungary*, with the object of supporting the rise and development of the new industries in that country, has considerably raised her customs duties and thus damped the development of trade. Negotiations for a tariff treaty between *Austria* and *Hungary* have so far led to no result. *Austria's* balance of trade as against *Hungary* is highly unfavourable.

Austria imported from Hungary:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	69.377	65.484
Foodstuffs and beverages . . .	112.845	184.074
Mineral fuel	18	147
Raw materials and semi-manufactures	16.713	15.931
Manufactures	9.342	13.815
Total	208.295	279.451

Austria exported to Hungary:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	556	158
Foodstuffs and beverages . . .	727	1.065
Mineral fuel	715	756
Raw materials and semi-manufactures	13.474	16.525
Manufactures	77.396	101.991
Total	92.868	120.496

In 1923 imports from *Hungary* exceeded *Austria's* exports to *Hungary* by 115 million gold kronen, and in 1924 by nearly 159 millions.

Trade relations between the two countries are so far adjusted by a general agreement of February 8th 1922, based on most-favoured-nation treatment.

Austria's trade balance as against *Rumania* is

favourable. Rumania exports to Austria mainly agricultural products, raw materials and unfinished goods, whereas Austria exports to Rumania almost exclusively finished goods.

Austria imported from Rumania:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	15.531	18.137
Foodstuffs and beverages . . .	17.008	27.385
Mineral fuel	—	—
Raw materials and semi-manufactures	8.703	13.897
Manufactures	1.162	1.278
Total	42.404	60.697

Austria exported to Rumania:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	2	4
Foodstuffs and beverages . . .	634	334
Mineral fuel	107	1
Raw materials and semi-manufactures	2.101	2.329
Manufactures	81.379	87.995
Total	84.379	90.673

Austria's favourable trade balance against Rumania amounted in 1923 to 42 million gold kronen and in 1924 to 30 millions.

By an exchange of Notes on the 5th of February 1924 to the two States granted each other most-favoured-nation treatment in their mutual trade.

Austria's trade relations with *Poland* are likewise very brisk.

Austria imported from Poland:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	—	41.799

	in 1000's of gold kronen	
	in 1923:	in 1924:
Foodstuffs and beverages	2.507	8.863
Mineral fuel	96.527	104.361
Raw materials and semi-manufactures	11.799	17.688
Manufactures	8.028	7.145
Total	118.861	179.856

Austria exported to Poland:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	62	87
Foodstuffs and beverages	1.594	3.556
Mineral fuel	—	—
Raw materials and semi-manufactures	7.594	9.131
Manufactures	80.553	112.132
Total	89.422	134.906

Austria's adverse balance of trade as against Poland amounted in 1923 to 29 million gold kronen, and in 1924 to 45 millions.

With Poland, Austria concluded a commercial treaty on the 25th of September 1922, and this came into force on the 15th of January 1923. It granted both States most-favoured-nation treatment in respect of import and export duties, customs formalities, import and export prohibitions and treatment of commercial travellers.

Negotiations are to take place this autumn for a tariff treaty between Austria and Poland with the object of fixing a suitable tariff basis for special categories of goods in the mutual trade between the two countries.

Trade between Austria and Switzerland consists mainly of an exchange of finished goods.

Austria imported from Switzerland:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	140	148
Foodstuffs and beverages	7.707	8.175
Mineral fuel	—	—
Raw materials and semi-manufactures	17.783	17.732
Manufactures	84.412	107.111
Total	110.042	133.166

Austria exported to Switzerland:

	in 1000's of gold kronen	
	in 1923:	in 1924:
Live stock	511	636
Foodstuffs and beverages	2.207	1.073
Mineral fuel	4	3
Raw materials and semi-manufactures	10.411	15.821
Manufactures	65.008	73.349
Total	78.141	90.882

Austria's trade balance as against Switzerland was unfavourable in 1923 to the extent of 32 million gold kronen, and in 1924 to the extent of 42 million gold kronen.

Trade relations between Austria and Switzerland were adjusted by exchanges of Notes on the 6th of March 1920 and the 18th of April 1921. The two contracting States grant each other most-favoured-nation treatment in respect of import, export and transit.

Negotiations for a commercial and tariff treaty with Switzerland are now proceeding.

Austria, and particularly Vienna, exports a large quantity of quality ware and goods of high value. Their market has fallen in the Central European States, compared with the pre-War years, mainly as a result of the decline in the purchasing power of the population of those countries. These quality

goods, however, find also a market in more distant, and especially in the Western markets, which follow immediately, in respect of exports, after the neighbouring States mentioned above, as is seen from the following table:

Austria exported:

To:	in 1000's of gold kronen			
	1923	1924	1923	1924
England	4.5	4.3	50.451	59.161
France	1.9	2.5	21.636	34.431
U.S.A.	1.6	2.1	20.394	28.227

CONCLUSION.

The figures just given in brief present a general outline of the direction taken by Austria's foreign trade in connection with commercial policy.

The Committee appointed in England in 1924 to study the conditions and prospects to British industry and trade with special reference to foreign markets laid down three main groups of causes for the decline of British export trade:

1. The reduced purchasing power in foreign markets.
2. The growth of the local industries in those markets.
3. The substitution of British imports by imports from other sources.

The influence of all three groups can be traced on Austria's foreign trade as well as upon that of all the other Succession States.

The limits of this article do not permit of a detailed analysis of all these elements, but the following points at least may be noted:

Austria's export trade improved in 1924 particularly in relation to the neighbouring and Succession States which absorbed more than three quarters of her entire export.

As regards commercial policy, the reasons for this,

from the foreign point of view, are various. In any case, however, one should first note an increase in the purchasing power of the States in question, manifested particularly in those countries where, in that year, the results of currency reform following the period of inflation, began to make themselves felt (for instance, Poland increased her imports from Austria by 50%, Germany by 22%, and so on). The advancing consolidation in economic life will doubtless still further improve the situation in this regard. Austria may therefore entertain hopes of a further expansion of her foreign trade. Herein, too, lies hope for the other industrial countries of Europe, notably the Succession States.

A second element of encouragement to foreign trade lies in the sphere of commercial policy. The increase in Austrian exports to Italy must certainly be connected also with the conclusion of the commercial treaty concluded between the two countries in April 1923. The increase of export to Czechoslovakia is connected with the extensive liberation of import to Czechoslovakia. Nor is there any doubt that the comprehensive tariff convention concluded between Austria and Czechoslovakia in November 1924 and supplemented in July 1925 will, in conjunction with the practical decontrol of trade on both sides, substantially support this tendency, as indeed is already to be seen from the statistics of trade between the two countries for the first three months of 1925. The system of bilateral commercial treaties mutually based on the principle of most-favoured-nation treatment and supported by tariff agreements constitutes a certain means of preventing efforts to encourage home industries developing into prohibition and the erection of high tariff walls. On the contrary it leads to the healthy international competition necessary for progress and economic equilibrium. This path has proved to be the right one and Austria is proceeding along it. In addition to this there have been recom-

manded various other methods of intensifying economic relations, particularly closer relations among the Succession States, with reference to the varied analogous systems existing in commercial policy.

Every serious proposal in this direction will assuredly be conscientiously examined by the economic circles and Governments concerned.

As is clear from public expressions of opinion in all the Succession States, all projects which could in any way infringe upon the sovereignty of these States are, from the point of view of these States, excluded a priori as wholly inadmissible. Such, for example, is the suggestion of a Danubian Federation, or of a customs union, or projects which would be in conflict with the peace treaties, etc.

At international conferences, however, the possibility has several times been discussed of a special Central-European regime which would respect in its entirety the political sovereignty of the States participating, and which would respect the political reservations referred to, and would affect only the economic sphere.

Of late, the most frequent subject of these proposals and suggestions has again been the question of *preferential duties*.

There is no doubt that the question of preferential duties permits of a solution that can be so construed as to call forth no objections from the political point of view. A case in point is provided by the peace treaties (Art. 222 of the Treaty of St. Germain, and Art. 205 of the Treaty of Trianon, under which Austria and Hungary are allowed to conclude tariff agreements to include preferential duties). Other examples are provided by the preference clauses adopted by the Scandinavian and Baltic States, and by Spain and Portugal. (The commercial treaty between Esthonia and Finland which includes preference duties in no way impairs the sovereignty of those countries.)

This being so it remains then to examine the question from the point of view of commercial policy and economics.

From the standpoint of commercial policy it must be borne in mind that a preferential regime signifies an exception to the general most-favoured-nation clause. As all the Central European States have concluded their commercial treaties on this principle and, among the authorized exceptions to most-favoured-nation treatment, have no preferential clause exceeding the limits of Art. 222 of the Treaty of St. Germain or Art. 205 of the Treaty of Trianon, it would be first of all essential to obtain international recognition of such a preference clause on the part of the Treaty States not participating in the preference. (This would be the first and absolutely essential step to realizing any form of preferential regime whatsoever, for otherwise a breach of obligations issuing from commercial treaties would ensue—as against the States not participating in the preference regime—accompanied by all political and economic consequences and menaces.)

After fulfilling this preliminary condition, the political-commercial principles would have to be considered upon which it would be possible to erect a preferential system among the States interested. It is certain that without a general application of the integral principle of most-favoured-nation treatment *even within the circle of States participating in preference*, it would scarcely be possible for the individual States to accede to the system—for differential treatment within the States enjoying preference would lead to far-reaching alterations in respect of markets.

This applies also to Czechoslovakia with her export interests in all markets.

The extent and amount of preference are questions to which it is impossible to adopt a standpoint until clear answers from international quarters have

been given to the two fundamental points raised above, and until it is known what States will take part in the preference scheme. Only then, by a method of induction on the basis of economic facts would it be possible to fix the technical details of the problem, after a most careful analysis of the economic interests of all participating States. Only in this manner could be deduced the principles for concrete negotiations between the States concerned as to how the preference regime should be worked in practice—to what goods and to what extent it will apply.

In a democracy it stands to reason that decisions which so deeply affect the economic life of a country cannot be made without first giving a hearing to all the economic groups concerned and all factors representing production.

If the problem of a preferential regime between the Succession States be put in concrete form before the international forum, only those projects, of course, would have any hope of being practically discussed which, without provoking political objections would issue from the fundamental economic conditions enunciated above.

TABLE OF CONTENTS.

Doc. dr. Ant. Basch:

<i>The economic situation of Austria</i>	7—84
<i>A. The bases of Austria's national economy</i>	9
I. Industry	9—19
II. Agriculture	19—25
III. Commerce and transport	25
IV. Banks	25—29
V. Tourist traffic	30
VI. Austria's national income	30—31
VII. Comparison of Austria with Switzerland	31—33
The position of Vienna	33—35
<i>B. The present economic situation in Austria</i>	36—75
I. Development of events hitherto, and the causes of the crisis	36—45
II. The question of credits	45—50
III. The burden of taxation	50—56
IV. Social burdens	56—59
V. Transport tariffs and wages	59—60
The standard of technique	60—61
VI. Obstacles in the way of export	61—65
VII. The trade balance	65—68
The development and utilization of water power	68—69
* Increasing agricultural output	69—73

VIII. Austria's balance of payments	73—75
C. Conclusion	76—84
Comparison of present economic conditions with those existing before the War	80—84
<i>Ing. J. Dvořáček:</i>	
Austria and its economic existence	85—104
