

WHAT WE SAW IN RUSSIA

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WHAT WE SAW IN RUSSIA

I—INTRODUCTORY

It would perhaps be better if everyone who visits Russia to-day would agree not to write anything about it on his or her return. The public could then depend on the thorough and expert reports of such admirable correspondents, long resident in Moscow, as Mr. Louis Fischer, Mr. Chamberlin, or Mr. Walter Duranty. Unfortunately, however, so many travellers who visited Russia this summer, often going to Leningrad only, and for a two or three days' visit, have published accounts and descriptions of Russian conditions to-day, that it seems necessary for those who went to Russia in a rather more serious spirit, and who find little resemblance between the descriptions of such travellers and the actualities which they saw, to publish an account of their impressions, if only as an antidote to the extremely misleading statements which have been made.

A correct appreciation of the Russian situation by informed public opinion in Great Britain is, in our view, of the utmost importance not only to the maintenance of international peace, but to the re-establishment of prosperity in important branches of British industry. Russia is so large and so important a country that her influence, both political and economic, upon the future course of world affairs is bound to be very great.

Our present report is the outcome of a few weeks spent in Russia this September. Apart from a general knowledge of working-class conditions in England and the specialized knowledge we have of our own trades of miner, metal merchant, and journalist, we claim no special qualifications as observers.

One of us, however, had previously spent six weeks in Russia in 1928 and so had a basis for estimating the trend of conditions. As to facilities for investigation, we cannot complain of any restrictions. Sometimes accompanied by interpreters, sometimes alone, we saw everything we wanted: not necessarily what the Russians wanted to show us. For instance, we insisted on seeing some of the worst housing conditions in Leningrad as well as the newest housing estates. Naturally enough, the Russians like to show visitors the best example they have of any particular institution (be it factory, workers' club, theatre, power station, or anything else). The point is often made, however, that these institutions are in reality merely shows constructed for the benefit of the visitor. The suggestion that vast dams half a mile long and a hundred and fifty feet high, gigantic power stations, enormous engineering shops acres in extent, spacious clubs, well-equipped hospitals, beautiful schools, etc., etc., have all been specially constructed in order to impress the visitor is certainly a theory flattering to that visitor's sense of self-importance. It cannot, however, be seriously maintained.

It may usefully be added that one of our most fruitful sources of information was the conversations we had with English and American engineers, journalists and teachers long resident in the country.

II—THE FIVE YEARS PLAN

THE present situation in Russia is quite incomprehensible without some knowledge of what is called the Five Years Plan.

Briefly speaking, this is an attempt to turn Russia into an up-to-date industrial country in five years. It means that the energy and resources of the state must be devoted, not to the satisfaction of immediate everyday wants, such as food and clothing, houses, etc., but to the equipment of basic heavy industry, the necessary foundation of any stable industrial system. It means, for example, that the resources which might have been used in importing textiles to clothe the people are being diverted to the purchase of textile machinery instead.

This policy has resulted in two opposing tendencies in Russia. On the one hand, it has meant that everywhere vast industrial developments are going on. The traveller cannot avoid seeing huge factories being built, vast machines being installed, rivers being dammed, bridges being thrown across gorges, mines being sunk, and gigantic State farms being established. On the other hand, it has meant that the side of economic life which caters directly for the people's needs has been comparatively neglected. The textile industry is short of cotton and is only working at a proportion of its capacity. The production of food-stuffs has been interfered with by the scheme for radically

revolutionizing agricultural production which has been ruthlessly applied. And its effect is aggravated by an inefficient system of distribution. Therefore, the traveller may see at the same time and in the same places the above-mentioned economic developments and also, as the other side of the picture, food queues, housing shortage, a lack of clothes and comforts of all sorts, and enormously high prices for anything but the bare necessities of life. It is the existence of these two contrasted sides of life in Russia to-day which accounts for the widely different reports which visitors bring back, for each visitor will emphasize whichever of these two sides of life he is chiefly predisposed to stress. And both sets of reports may be true. It is true that vast and marvellous economic developments are going on in Russia to-day. It is also true that there is suffering, difficulty, and dislocation in daily life. Both are the result of the policy of the Five Years Plan, which has been deliberately undertaken by the Soviet Government.

III—ECONOMIC DEVELOPMENTS

(1) The most striking of all the evidences of industrial development which we saw was the dam and power station at Dniepostroi. This great enterprise was started two years ago and is planned to be completed two years hence. It consists of a dam across the river Dnieper at the foot of a series of unnavigable rapids. The dam has two objects. It will provide a waterhead which, diverted into a power station which is being built simultaneously at one end of the dam, will give a production of 500,000 kilowatts of electricity. This electricity will form the power basis of the industrial life which is being built up in this whole region. It will be connected up with the not very distant coal power stations in the Don Bas which will provide a local electrical 'grid' developing 800,000 kilowatts.

At the same time a ship canal is being built round the dam to render the Dnieper navigable from the Black Sea right up to Kieff,—an achievement not only of great economic, but also of historic, importance; for from the time of Catherine II innumerable plans have been drawn up to accomplish this great project. Dniepostroi will cost £20,000,000 and is employing 12,000 workers on the dam, while another 13,000 will be engaged in the building

operations round it, for upon what is now open steppe there is rising a great industrial city. Blast furnaces, aluminium, steel works, and great blocks of working-class dwellings, schools, clubs, institutions, etc., are being built. Altogether another £50,000,000 will be invested in this development during the next few years. The whole enterprise is under the supervision of Messrs. Cooper and Sons, a well known American firm of engineers, and there are always two or three American engineers and their families in residence. As a result of this, most of the construction machinery, etc., of which there was a vast quantity in evidence, had been ordered from America. The work proceeds day and night in three shifts, and at night the dam, brightly lit by arc lamps and seething with activity, presents an extraordinary sight.

(2) We take as the second example of industrial development an old pre-revolution factory which is to-day being rapidly expanded. This is a heavy engineering plant in Leningrad, turning out electrical machinery of various descriptions, above all, turbines. Behind the unimposing and somewhat tumbledown façades of the pre-war plant we found two vast new concrete engineering shops which had just been completed. These were humming with activity and great quantities of the latest machine tools were being installed. Machinery in this plant appeared to be British, German and American in about equal proportions. The technical manager (a pre-war Russian technician) went round with us, and his relationship with the men appeared very good.

(3) We visited the Schacti mining area and descended both a large new pit, which is just about to come into production, and the Artiem, one of the large pre-war pits,

which has been re-equipped throughout with modern mining machinery.

One of our party (Mr. Aneurin Bevan), has had nine years' practical mining experience underground, and was therefore able to form a comparative estimate of Russian and British conditions. His impression of the Artiem pit was that it had been sunk (in about 1912) in an inefficient and wasteful manner, but that the present management was probably doing well with the conditions which they inherited. Coal cutters were at work on the coal face and a conveyer was being used. The safety factor seemed much below British standards (exposure of naked electric cables, etc), but similar to that practised all over the Continent of Europe. Some of the timbering was definitely bad, pointing to a much inferior level of skill amongst the Russian miners. The output per man-shift claimed at this pit was given as only slightly below the British average, and we had no reason to doubt this figure. On the other hand, we were given estimates of the output which the management hope to attain in two or three years' time from the new pit, which seemed to us ridiculously optimistic. As we understood the figures given us, the authorities plan to quadruple the present output per man-shift when this new pit has got into full production ; but in our view the Russians were hoping and expecting much too much from their new machines.

(4) We visited an enormous new factory for the production of agricultural machinery in the suburbs of Rostov, called Selmaschtroi. The factory was in process of completion, some of the departments were already in production, and it was hoped to reach 50% of possible production during the next economic year. In 1932, it is

estimated that its annual output will be £1,500,000 worth of goods. It is interesting to note that the total pre-war production of agricultural machines was £7,000,000 produced in nine hundred small workshops. £7,500,000 has been spent in building and equipping the factory and in building workers' dwellings, and institutions round it. The factory is laid out on the most modern lines to ensure continuous 'flow' production. One department, that producing peasants' wooden carts, was already in active operation. It was an extraordinary sight to see these carts (essential implements of the peasants),—which had been made by handicraft methods for so many centuries, being produced by the latest American and German machinery. Rough, untrimmed wood was entering the factory on conveyers at one end, and the finished parts, wheels, axles, body frames, etc., of the carts were issuing at the other. We were told that the cost of making the hand-made carts was £16, that they are being made at present in the factory at £12 10s., and that this will be reduced on completion of the factory to £9.

(5) But of all the instances of rapid economic progress which we saw in Russia, perhaps the most significant was 'State Farm No. 2' at Verbluid, near Rostov. This was one of a series of enormous farms which are being established by the new Grain Production Trust. Virgin or semi-virgin land is taken, and a farm is established, run on factory lines with factory wages paid to the employees. These farms are of huge extent, the one we inspected being 120 miles in circumference. Another named 'Gigant' is very much larger, with an area under cultivation of nearly 500,000 acres. There are still larger state farms being established in Siberia. No 2 is also a training college and

an experimental farm. A model of every make of agricultural machinery is sent here and carefully tested. The workers are chiefly agricultural students (there will be 1,200 next year), who will be sent out as skilled men to the new farms as they are established. At this year's harvest a million hectares were cultivated by state farms throughout Russia. Next year 4,500,000 hectares, it is claimed, will be so cultivated. In 1932 the figure will, it is said, be 9,000,000 hectares. On a rough estimate we came to the conclusion that if this programme is successfully carried out, the Soviet will be producing more than its pre-war export surplus of wheat on its state farms. Verbluid is cultivated by 64 large tractors which during the ploughing and sowing seasons work day and night on a three shift system. It was claimed that their cost of production worked out at about one shilling per bushel of wheat and that by the application of scientific farming the yield per acre (126 puds of wheat) was greater by 35% in the case of spring wheat and 100% in the case of winter wheat than that obtainable by the peasant farming. The manager of the farm, with whom we had several talks, was a young man of twenty-eight years of age, who had been sent by the Government to America to study American large scale farming methods for a year, and spoke fluent English. Two American experts were on his staff.

(6) More important, however, than these state farms, which can necessarily only cover a small proportion of the surface of Russia, are the 'collective' farms which have been established with so much difficulty and at so great cost in social conflict and in actual loss of livestock during the past winter. We inspected three of these collective farms in the district round Rostov. In these cases peasants

had been induced, or driven, into throwing into one common pool all the land of the village which was ploughed and used for grain production, together with the implements, horses, oxen, ploughs, harrows, and tractors (if any) which they possessed. In each village we were told that after last March, when the policy of coercion was abandoned, a good many peasants had left the collective farms and returned to individual production, but that, in view of the success of the collectives in reaping better crops than the individual peasants, these peasants were now returning to the fold. We were shown by one of the managers a sheaf of written applications which he had in his hand. No attempt had been made in these villages (or else the attempt had been first made and then abandoned) to collectivize the other agricultural processes, either the flocks and herds, vegetable production, fowls, etc. All this work was still carried on individually by each peasant household. But in other parts of the country, collectivization has been applied to all branches of agriculture. Our impression of these collectives, which was confirmed by conversation with foreign residents in Russia who have made extensive studies of the question, is that most of them are still roughly and badly organized and that their methods are extremely crude. But, however inefficient they may be as cultivators, they are very much better than the individual peasant farmers. Undoubtedly collectivization is raising the whole standard of Russian agriculture. It is impossible to over-estimate this movement. It is the greatest change which has taken place in Russia since the Revolution. The member of our party who had travelled over much of the same ground in 1928 was greatly struck with the change in the very landscape

since that time. In 1928 the whole steppe, as far as he could see, was cut up into the tiny peasant strips, which formed the only method of agriculture. To-day it consists of vast fields stretching to the horizon. It is claimed that 35% of all Russian agricultural land, and over 60% in the Ukraine, the most productive area, is being cultivated co-operatively.

IV—CONDITIONS OF LIFE

In all these enterprises, in the factories or on the farms, we were impressed by the keenness and intensity of labour. This we believe to be due to two causes,—the payment of piece rates and the genuine enthusiasm of the workers. A further undoubted stimulant lies in the knowledge that the factory is theirs and that increased production will be to the general benefit of their fellow workers.

One of the American farming experts of Verbluid was particularly enthusiastic as to the ardour of the workers. 'This bunch here,' he said, 'will beat any bunch I have worked with in the States.' A works manager of considerable experience in Germany said that formerly he had to drive his workmen, now they drove him.

One of the most serious handicaps which faced Russia in its industrialization policy was the almost complete absence of skilled artisans. An attempt to remedy this situation is now being made by the setting up of colleges where intensive engineering courses are given to unskilled workers. We were impressed by a very efficient one we saw at Moscow. It is estimated that with their present accommodation there and in the provinces 250,000 can be trained yearly.

Labour conditions appear fairly good. We inquired everywhere what wages were paid and the figures given us were slightly higher than the official Soviet figure of £2 a

week as an average for all unskilled and skilled manual workers. There is a seven-hour day, which has not yet come everywhere into force ; frequently an extra hour is worked at time and half rates. Every worker gets a minimum of fourteen days' annual holiday with pay, which he often spends at T.U. rest houses free of charge. Women workers get two months' holiday with pay before and after child-birth. There was an apparently well-managed crèche attached to each factory we inspected.

We have chosen these six examples of the enormous economic changes and developments which are going on in Russia to-day, but it must be clearly emphasized that there is not one of these developments which has not been paid for at a high cost. Millions of money, representing the first-fruits of Russian industrial production and the best of her available labour power has been given to erecting each one of the factories described above, while the economic revolution (it is nothing less) which is represented by collectivization has only been bought at a terrible price. Not only were whole sections of peasants bitterly alienated, but it is calculated that one-third of the country's livestock was slaughtered during the past winter, and sold for what their skins would fetch, by peasants who were unwilling that their stock should be polled with that of their less thrifty or less successful neighbours. This is the chief cause of the acute shortage of certain foodstuffs to-day,—above all, of meat and of dairy produce.

We will now proceed to give some account of conditions of life as we saw them in the parts of Russia which we visited, of the discomforts, trials and privations which represent the price which Russia has paid for the construc-

tive achievements we have described. It is important to realize at the outset that conditions vary widely from city to city. The main streets of Kieff, for example, are full of brightly-lit shops, well-stocked with goods. We never saw a queue, and prices, though high, were not fantastic, even for unrationed goods in the private market. In Leningrad, on the other hand, there are few goods in the shop windows. The shops are not much lighted at night. The whole town, therefore, wears a comparatively depressing appearance, and queues are frequent and often long. Hence, almost anything one may say, good or bad, about Russian conditions will probably be true about one particular town and untrue about another. This disparity, we were told, is largely accounted for by the difficulties of the distributive system. The Russian railways are at present quite inadequate to cope with the burdens that are being put upon them, and the cities which have comparatively rich areas of food supply round them are, therefore, much better off than those which depend on their foodstuffs being brought from a distance.

We mingled freely in a crowd, drawn partly from a food queue, in Leningrad, and were soon engaged in an animated discussion. An elderly, worried, and sickly-looking woman, on hearing that we were an English delegation, at once launched into a criticism of the Five Years Plan. She told us to see how hard their lives were, how difficult it was to get the necessities of life. Everything, she said, was being sacrificed to this Five Years Plan. She had evidently grown to hate the very sound of the words. But she was soon strenuously contradicted by a chorus of young men and women. They told us to pay no attention to her,—‘she did not understand, she was ignorant, she had

“ backward ideology ”. The Five Years Plan was absolutely necessary, they had to build up their heavy industries. Of course, it meant suffering and privation for the time, but the workers understood the reason for it, and when the Five Years Plan was finished there would then be plenty for all.’ A man then developed this theme and said that he was glad we were seeing things for ourselves, ‘ the worst as well as the best.’ The queue was outside a Co-operative in a particularly slummy and unpleasant district of a Leningrad suburb. A proportion of this slum had been pulled down and a pleasant new housing estate, containing a fine school, and composed of decently if rather roughly-built houses, had been erected ; but, as in this country, a large portion of the slum still remained and was densely inhabited.

Partly as a method of meeting the food shortage, new forms of communal eating places are being established in Leningrad. Almost every factory has a large-scale workers’ canteen where a cheap and satisfying meal containing a meat course can be obtained by every worker. Besides this, there were being established in Leningrad a series of what are known as ‘ factory kitchens ’. These are really mass restaurants. We visited one in Leningrad which had been open only one month. It was of striking architecture (like most of the new buildings, whether factories, schools, or offices) and excellently planned. We were told by the manager that some forty thousand meals are prepared every day, 12,000 of which are sent out in special vehicles to factories which have dining-rooms, but no kitchens in which to prepare meals for their workers. We ourselves had a satisfying lunch there, consisting of a large plate of soup containing masses of fresh vegetables, a

plate of brains with potatoes, a plate of fruit salad, a glass of tea, and a large quantity of black bread, for which no extra charge was made. This cost us 1s. 2d. each. For the food obtained at these places no ration cards are necessary. Thus the worker, whenever he cares to go to one of these institutions, can add to his ration at a very reasonable cost. We were informed that two similar factory kitchens were under construction.

In Moscow we obtained from an American lady long resident there a list of the prices which she paid for her commodities. It was as follows :—

	IN CO-OP.	IN PRIVATE MARKET.
Eggs	1½d. each	7½d. each
Bread	2½d. per lb.	
Butter	1s. 11d. per lb.	18s. per lb.
Tomatoes	3¼d. per lb.	2s. per lb.
Milk	6d. per litre	1s. 11d. per litre
Meat	10½d. per lb.	6s. per lb.

It will be seen that these prices are very much greater in the private market (*i.e.*, peasants selling from baskets in the streets) than in the Co-operatives. The prices here as elsewhere in this report are translated into English money at the nominal exchange rate of 10 roubles to the £1. If we regard the rouble as depreciated, as it almost certainly is, these prices would, of course, be cheaper in terms of English money. It is the great disparity between prices in the Co-operatives and in the private markets which has often confused foreign visitors. From the workers' point of view the price-list

of the Co-operative is, of course, the relevant one as the worker would only resort to buying in the private market on very special occasions.

Besides the food shortage, there is undoubtedly a shortage of all articles of clothing. We found the reason for this when we visited a great textile factory in Leningrad and found it only running at about one-third capacity. After some difficulty we were able to ascertain the reason. It was a shortage of raw cotton. Russia has apparently chosen this year to import increased quantities of machinery, etc., from America and to cut down her import of raw American cotton to a minimum. In the coming year it is hoped that her own home-grown cotton will fill much the largest part of her cotton needs, and the year after, the whole of these needs. But, in the meanwhile, the population is going extremely short of textiles. Boots and shoes have just recently been put on the ration list. It was repeatedly stated to us that this was not because of any reduction in their production, that far more boots and shoes had been produced and sold in Russia this year than ever before, but that it was owing to vastly increased demand caused by new classes (peasants, etc.) taking to wearing shoes. We were unable by experience either to verify or call in question this statement.

HOUSING.—The housing shortage in Russia is acute in many districts (especially Moscow), but from personal observation a really striking amount of house building is going on. On the fringe of every large city we saw very large numbers of working-class blocks of flats being erected. They are solidly, if somewhat roughly, built: the joinery is often ill-fitting and the plumbing ineffi-

cient. The rent system is complicated. Rents vary according to the income of the tenant, and the amount of superficial feet of floor space occupied. On the whole, they seemed low. A typical case was that of a man who with his wife and two grown-up children occupied three rooms in a new house and paid 6s. a week rent. The minimum rate for scholarship students, unemployed, pensioners, etc., is 2½d. per square metre.

WORKERS' CLUBS.—No account of present-day Russian working-class life would be complete without some mention, at any rate, of the widespread and striking system of workers' clubs which extends throughout the country, for it is in them that the town worker, his wife and his children spend their evenings. These are very large and often expensively equipped buildings, sometimes newly-erected, sometimes old public buildings adapted for the purpose. A new one, at Kharkov, beautifully designed and equipped, accommodates 4,000 people, and this is only one out of thirty clubs in the town. All the larger ones contain delightfully equipped nurseries where the parents can leave their children, while they take part in the club activities,—gymnasia, theatres, libraries, cinemas : besides this, innumerable rooms are assigned to particular 'circles' within the clubs. These 'circles' are groups of club members who are interested in, say, music, amateur dramatics, chess, or more studious pursuits such as mathematics or other forms of technical self-education. We recall particularly one very pleasant visit to a workers' club in Rostov on Don in which we came on a group of boys and girls engaged in practising the Russian string instrument, the balallaika. They were being instructed

by a conductor who was obviously an excellent and enthusiastic musician. They at once organized an impromptu concert for us and played us a selection of English Elizabethan madrigals, Russian folk songs, and modern Russian revolutionary songs, which was altogether delightful. These clubs are usually owned and run by the Trade Unions and are free to their members. The workers' club movement is probably the greatest contribution which the revolution has made to the enlightenment of the lives of the Russian industrial masses.

In view of the impression which many people may have received from reading press reports that the Russian worker is half-starved and clad in rags, we feel we should state our definite opinion that, on the whole, the people in the streets of the towns we visited looked little different in the matter of health and clothing from the people in any working-class area of any industrial town in England. In fact, we were often surprised that the lack of food and clothing showed itself so little ; we particularly noticed how well-shod the men were.

Children looked particularly healthy. This is probably due to the fact that they receive more generous rations, together with hospitals and schools.

The big cities give a general impression of great activity. The streets are full of hurrying people. Trams are almost the only means of transport and consequently become perilously overcrowded during the rush hours. In Leningrad cars are almost non-existent, but there are a considerable number in Moscow.

We were surprised at the few beggars and ' Besprezomy ' that we saw. The latter, children orphaned during the civil war, running wild, were becoming a few years ago a

serious menace. The problem appears to have been successfully coped with by sending these children to attractive residential schools. One of these we saw.

The authorities keep the museums, picture galleries, many of which we visited, in excellent condition and appear to take great pride in their art treasures.

In Leningrad, and particularly Moscow, there appears to be great vitality in the theatrical sphere. Perfect presentations of opera and ballet are given, and startling new methods of production are used in the ordinary theatre. We always found full audiences, both at the theatre and the cinema, all of which, of course, are state or municipally owned. The facilities which the worker is given in this direction at a reasonable cost (about English prices) are, we were told, highly valued.

RUSSIAN EXPORTS.—A burning question both in this country and in Russia to-day is that of the intensified export of Russian raw materials in order to pay for purchases of machinery, etc. We can make no pretence of being able to judge the real attitude of the Russian masses to this export of foodstuffs and raw materials which, were they retained in Russia, would, no doubt, greatly ameliorate their present conditions. It would certainly be strange if there was not, at least, persistent grumbling against such a policy. At the same time, it must be remembered that the Soviet makes unparalleled efforts to explain the reason and, in its view, the necessity for this policy by its unrivalled method of propaganda. The view sometimes expressed in this country that these exports are a deliberate plot on the part of the Soviet Government to disorganize the capitalist world by dumping goods on its

market is, of course, absurd. As an importer of finished goods and an exporter of raw commodities, the fall in wholesale prices has been a serious blow to Russia,—a blow which but for a bounteous harvest might well have proved disastrous to the Five Years Plan. The Soviet Government would be only too willing to curtail its exports if it could make its necessary purchases on easier credit terms, and, therefore, postpone the export which must pay for them.

V—CONCLUSION

It would be most unwise for anyone not long resident in Russia to attempt to prophesy the probable course of events in that country, either in the immediate or in the more distant future. It is clear that the coming winter will be an exceedingly hard one and that great privations are being, and will be, suffered by a large part of the population. But, unfortunately, Russia is not alone in this. Indeed, it is certainly open to question whether the Russian workers or the German, American, and to a less extent the British, unemployed have most to fear this winter. It may be that the strain which will be experienced will produce changes in the policy of the Russian Government, just as the events in the villages produced changes last winter. The Soviet Government has manœuvred repeatedly in the past, and new policies must almost certainly be expected in the future. But we feel that, in spite of all the difficulties and drawbacks, the actual achievements of the Soviet Government, the collectivization in the villages, the industrialization in the towns, the new institutions of cultural life for the workers, are so far-reaching and so valuable to the Russian people that their disappearance is inconceivable. By methods and under forms which are still unknowable Russia will continue to progress on the lines which she is now on. The one haunting fear in the Russian mind to-day,

whether justified or not, is that of attack from the rest of the world. Nothing is further from her thoughts than aggression. Nor will she be for long years in a position to make aggression possible, however strong she might be in defence. But we feel absolutely convinced that during the next five years and, to an even greater extent after that time, the Russian market will become of dominating importance to every great trading and industrial nation. To Great Britain especially, for whom the problem of foreign trade is so important, the Russian market offers the one great opportunity remaining in the world to-day. However much observers' views may differ as to actual conditions in that country, all must be agreed that the economic life of old Russia has been churned up to the depths. She will never return to her primitive methods of production either in industry or in agriculture. Her large-scale and intensive methods have come to stay. This means that 150 million people have become for the first time buyers and sellers in the world market, and their purchasing power is likely to increase in geometrical rather than in arithmetical progression. Owing to Russia's special characteristics, a special technique must be developed for commercial relations with her. At present we must face the fact that both Germany and America have got ahead of us in this, the greatest, new market in the world. There are, however, welcome signs that we are beginning to make up some of our leeway. We cannot believe that German and American business men would have entered this market to the extent which they have, were it not a profitable and secure one. No foreign trade operations are unaccompanied by risk, but the risk of allowing our heavy industries to continue in their

present devastated condition seems to us infinitely more serious than the risk of co-operating in large-scale trading operations with Russia.

- (3) Jealousy of southern Ireland and a refusal to follow its example.
- (4) The traditional English-complex of the contemporary Ulster mind.

Further, in this connection, it is worth noting that when some years ago coal was found in workable quantities in County Tyrone, development of the coalfield was blocked, ostensibly on economic grounds, in reality by the same ring of coal importers, and Anglo-Irish coal-owning families, backed by the efforts of the Ulster Unionist organisation. The inclusion of the Unionist organisation is politically interesting, and arose for an interesting reason. It was pointed out by one "loyalist" that the importation of English miners to work the mines might lead to the formation of a Labour-Socialist *bloc* in County Tyrone, which, acting in conjunction with the Nationalist Party, might some day threaten Ascendancy government in Ulster!

Upon this insane mixture of cross purposes, typical of our Northern politics, there now breaks in the new industrial revolution with its essential basis of "rationalism" and clarity of thought. So far we have not taken to it kindly. The word "rationalisation" occurs in our newspapers only in relation to English and Continental industry—never in relation to our own. All mention of reorganisation and re-equipment is unpopular, due probably to a lurking fear that the process of re-adjustment once begun, may spread beyond the border lines of industry.

And such an attitude of unconscious anxiety in the face of the new industrial changes is not entirely unreasonable. Our nineteenth century industrial prosperity was built upon the corner stone of Individualism; during those years we were playing a part in character. Now the new forces look like rending the veil and over-

government with all the advantages of self-government omitted, the "practical men" of the North then found themselves confronted with (to look no further for the moment) the outward and visible symbol of change in the industrial framework of society. Coal was giving place to electricity. More than that, nations were organising themselves into vast co-ordinated units for power-production. Electrical development was being raised in the modern world to the status of "national policy."

But "national policy" could not apply in Ulster because there was no nation. Instead we had the haphazard policy of the parish pump and the creation of innumerable "vested interests." The whole modern world, it seemed, in this matter of co-ordinated electrical development, was out of step, except Ulster. Worse than that, because the race of lawyers might eventually (with great benefit to themselves) have brought order out of chaos, a cardinal error was committed in determining the source of power and light and heat in the industrial area of Belfast and the Lagan valley. Swift's excellent advice to the Irish, to "burn everything English *except* their coal" was, of course, rank heresy in Ulster in spite of its obvious exaggeration; it was better to be at the mercy of English coal companies (and Irish coal importers) than saved by German engineers; and meanwhile the future of electrification in the most important industrial areas of north-east Ulster has been tied up with the fortunes of the notoriously unstable English coal trade.

The reasons for this decision are worth studying as an example of the forces at work in our politics. They include:

- (1) A ring of coal importers working in close touch with the Government.
- (2) Feudal influence on the part of aristocratic coal-owning families.