



T. G. MASARYK,  
the First President of the Czechoslovak Republic.

THE CZECHOSLOVAK  
REPUBLIC • A SURVEY OF ITS  
HISTORY AND GEOGRAPHY, ITS POLITI-  
CAL AND CULTURAL ORGANISATION,  
AND ITS ECONOMIC RESOURCES

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## P R E F A C E.

*This book, a completely revised edition of which we now lay before the reader, makes no claim to originality. It is only a compilation intended to serve as a concise handbook for the English reader who wishes to obtain a little more detailed and exact information about the new Central European Republic than he can find in the newspapers or monthly magazines and reviews. It has been published in the hope that in due course it may be replaced by a more adequate and original work of some English student.*

*Throughout the work a very large number of different publications have naturally been used, and the compilers gratefully admit their obligation to the authors. Most of the chapter on history has been taken from an article by President Masaryk (New Europe, vol. 2, 1916); the chapter on Literature was written by Mr. Paul Selver, and the chapter on Music by Mrs. Rosa Newmarch: to them the compilers wish to render their special thanks. They would gladly acknowledge their indebtedness to other sources if there were any hope that such acknowledgment could ever be complete: if incomplete it would be misleading and might cause offence. Nevertheless they desire to thank the friends who have helped them by their criticisms and suggestions. To Mr. Paul Selver, without whose invaluable help and co-operation the book would have hardly appeared, they are especially indebted.*

*The authors would like to call the reader's attention to the appendices where he can find the latest statistics and figures relating especially to the budget and foreign trade; numerous difficulties of a technical nature have delayed the publication of the book and some of the estimates given in the text have been superseded by correct statistics.*

*Of the two authors, Mr. Pokorný compiled most of the economic part, while the undersigned is responsible for the rest of the book, together with its general arrangement.*

London, March 1922.

JAROSLAV ČISAŘ.



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THE CZECHOSLOVAK REPUBLIC

PART I.

THE LAND AND THE PEOPLE

PART I.  
THE LAND AND THE PEOPLE.

CHAPTER I.  
HISTORICAL.

1. ORIGIN OF THE STATE.

The Czechoslovak Republic, which is the modern revival of the ancient Kingdom of Bohemia, owes its name to the two branches of the Czechoslovak race which forms the greater part of its population, the Czechs and the Slovaks. Through their efforts abroad and by means of a bloodless revolution at home, the Czechs and Slovaks, supported by and fighting side by side with the Allies, brought about the dismemberment of the Austro-Hungarian Empire, in which they were incorporated for more than three centuries. After its disruption the Czech territories (Bohemia, Moravia, Silesia) of former Austria, together with the Slovak territory of former Hungary, and with the addition of the territory of Carpathian Ruthenia, formed an independent democratic Republic, whose exact frontiers were fixed by the Peace Conference in the Peace Treaties of St. Germain, Versailles and Trianon, and by the decision of the Conference of Ambassadors on the question of Těšín (July 1920).

2. HISTORY.

*Early times.* The Czechs and Slovaks are two branches of the same Slav race which some time before the 6<sup>th</sup> century settled in the territory inhabited by them to-day. In the 7<sup>th</sup> century the first Bohemian State is known to have been founded by Samo who defeated the Avars and held his own against Frankish aggressions. In the 9<sup>th</sup> century Samo's State was succeeded by the Great Moravian Empire, comprising the Czech countries and extending south of the Danube in Hungary to the river Drava. The Moravian Empire was broken up by the invasion and settlement of the Magyars, a people of Mongolian origin who settled in the wide plains of Hungary, and early in the 10<sup>th</sup> century incorporated

Slovakia in their dominion. After the fall of the Great Moravian Empire, Bohemia became a strong and well-knit national State under native Slav Princes, and, in 1068 was acknowledged as a kingdom. The Czech dynasty of Přemysl died out at the beginning of the 14<sup>th</sup> century and was replaced by the Luxemburg dynasty (of German origin but French by culture) under whose reign the Czech State achieved its golden age, both from the cultural and from the political point of view. In 1348 the greatest King of this line, Charles IV, who was also Holy Roman Emperor, founded the University of Prague, which as the first University not only in the Slavic but also in the Germanic world, rapidly became a centre of culture and intellect for the whole of Central Europe.

*The Hussite movement.* In this originated the movement for the regeneration of Christian life inaugurated by John Hus, whose martyrdom and death at Constance (1415) inflamed the whole Czech nation against Rome and the German Emperor.

The Hussite Reformation of Bohemia was the inauguration of modern spiritual life. Hus opposed the individual conscience and the Bible to the authority of the Church and of Rome, and thus became the forerunner of the Reformation: but his true significance lies in his moral teaching and death. There were many heretics before Hus: but Hus involved the whole Bohemian nation in his heresy, and as Rome, making use of Germany, tried to crush Bohemia by means of crusades, the Hussite war is a landmark in European thought. Bohemia held not only Germany but the whole of Europe at bay, and Žižka, the leader of the victorious Hussites, became the inventor of modern strategy.

The Hussite Reformation was essentially one of life and of morals. The Hussites rejected all Roman teaching and ceremonial; they even accepted women as preachers, and in their zeal for Christian equality they adopted communism as practised in the Apostolic Church. Hussitism reached its height in the *Unitas Fratrum* — the Church of Bohemian (Moravian) Brethren, the remnants of which are the English and Austrian churches of the Brethren, and the German *Herrenhut Church*. Their founder was Peter Chelčický, who interpreted Christian love in its radical form of non-resistance, and thus fully anticipated Tolstoy's famous doctrine. Chelčický rejected both "whales" — the Pope and the Emperor — Church and State alike, the whole theocracy and its clerical and official organisation. His followers in the next generation were obliged to modify his teaching; amid the horrors of the war against Bohemia they doubtless confounded legitimate defence with force and aggression, forgetting that Christ brought not only peace but also a sword to defend truth and justice against aggression. But humanitarian endeavour remained the lasting foundation of this Church, which historians praise as the truest realisation of Christ's teaching. Amos Comenius,

the great humanitarian teacher of the nations, became its last bishop, before it was crushed by the Austrian Counter-Reformation.

The Bohemian Reformation, as the Czech historian, Palacký, rightly observes, contains the germ of all modern teaching and institutions; it was an anticipation of the future, an ideal to be reached by future ages. But Europe did not understand Bohemia, and united, under the leadership of Pope and Emperor, to crush the nation which had dared to follow its own path.

Hussitism is the practical, political and social embodiment of John Hus's command: "Seek the truth, hear the truth, learn the truth, love the truth, speak the truth, hold to the truth, defend the truth even to death."

Hussitism, chiefly in the form of the Brethren's movement, spread to Slovakia and to Poland, and had a great moral influence even on the Germans. Luther himself, as is known, confessed: "We are all Hussites." On the other hand, the later Reformation of Switzerland, France and Germany exercised a great influence over the Hussites, who to a great extent accepted Protestantism. Only about one-tenth of the nation remained in the Roman Catholic Church — principally the higher aristocracy.

*Federation with Austria and Hungary — Decline and downfall of Bohemia.* The Hussite wars in the end weakened Bohemia. At the same time the Turkish menace against Central Europe induced Hungary, Austria and Bohemia to unite in a free federation (1526). At first, all three States remained entirely independent, linked only by personal or rather dynastic ties. Nevertheless their common King had behind him the power of the Empire and the resources of Spain, and thus gradually succeeded in his centralising and Germanising designs. At first there was only a common imperial committee for foreign affairs, but the army also promoted unification, and the common finances worked in the same direction.

Bohemia was from the very beginning the economic backbone of this strange confederation; almost the whole of Hungary fell under Turkish dominion, and thus remained economically weak and undeveloped. Austria proper was barely self-supporting, while Trieste and the Adriatic at that time were hardly utilised at all.

The centralising absolutism of the Habsburgs and their Counter-Reformation caused the Revolution of 1618, which ended two years later in the disastrous battle of the White Mountain (1620). Ferdinand II avenged himself by ordering the execution of the leaders, whose heads for years frowned upon the population of Prague from the tower of the famous bridge of Charles IV. Ferdinand, acting on Jesuit advice, made use of the occasion to persecute the Protestants, and especially the Bo-

hemian Union of Brethren; about 30.000 families had to leave the country, amongst them Comenius. Not only were the Bohemian countries depopulated, but the Habsburgs carried through one of the greatest economic revolutions in history. Four-fifths of the soil were taken from the legitimate owners to fill the treasury of the greedy Emperor. and his tools,



Jan Amos Komenský (Comenius).

drawn from the dregs of every aristocracy in Europe. The country was brought back to Catholicism by fire and sword — her best men were exiled, her literature burned, her lands plundered.

In 1627, Ferdinand II curtailed the legislative and administrative rights of the aristocracy — at that time the only representatives of the nation. During the seventeenth and eighteenth centuries the Habsburgs continued the unification and centralisation of Austria proper, Bohemia and Hungary, and

this aim seemed to have been attained under Maria Theresa and Joseph II. But the latter's radical and Germanising methods provoked opposition alike in Bohemia, Hungary and all the non-German provinces, and since his days history tells of the revival of the Austrian nations.

*National Renaissance.* For over two centuries Bohemia was no better than a corpse, though Czech remained the language of the bulk of the population. Her leaders were executed or exiled, and those that remained were bound hand and foot by the Germanising system imposed by the Habsburg bureaucracy and by the close intellectual and moral censorship of the Church and the Jesuits. But with the awakening of Europe in the

18th century, the principles of humanitarian philosophy and of the French Revolution, which were the natural outcome and continuation of the Bohemian Reformation, penetrated to Bohemia, and early in the 19<sup>th</sup> century started a process of national revival which transformed the nation once more into a living organism full of zeal and energy.

Dobrovský, Jungmann, Šafařík, Kollár and Palacký, a group of enthusiasts, succeeded in laying the foundations upon which the next few generations were to build. In 1848, the revival passed from national *literature* to national politics, and in the second half of the 19th century Bohemia began a new intellectual, political and economic life. As soon as the nation felt itself sufficiently strong, it began to demand from the Habsburgs the political independence of which they had deprived it.

*Slovakia.* Since the Magyar invasion in the 10th century and the conquest of Slovakia by the Magyars, till 1918, Slovakia formed part of the Kingdom of Hungary. For several generations past, the Slovaks had been the victims of a deliberate policy of forcible Magyarisation. Electoral corruption on a vast and ruthless scale prevented the non-Magyar races of Hungary from securing representatives of their own, and almost every avenue in the political and administrative field was closed to them. The Slovak language was not merely banished from public life, but was not even tolerated in the post office, the railway station or the cemetery. The result was most flagrant in educational matters. In 1875 by arbitrary decree the Hungarian Premier closed the secondary schools which the Slovaks had built by their own exertions; he also closed the Slovak academy at St. Martin, confiscated its funds and buildings and seized and scattered its library and museum collections. Since that day, up to their union with the Czechs, over two million Slovaks were without a single secondary school in which their language was either taught or used as a medium of instruction, while the number of Slovak primary schools had been reduced from about 2,000 in 1869 to 400 in 1911. Not a single State school taught Slovak, though in the Slovak territory there were something like 50 secondary schools conducted on Magyar lines. A whole book could be devoted to other oppressive measures practised by the Magyars in Slovakia. Slovak students were dismissed from school or college for daring to speak their mother tongue among themselves, or in the street; the Slovaks were subjected to a whole system of political persecution which did not respect even the authority of the Church. During the 12 years between 1896 and 1908, for instance, no-less than 560 Slovaks were tried for political offences and sentenced to terms of imprisonment aggregating 91 years, paying also 42,000 crowns in fines.



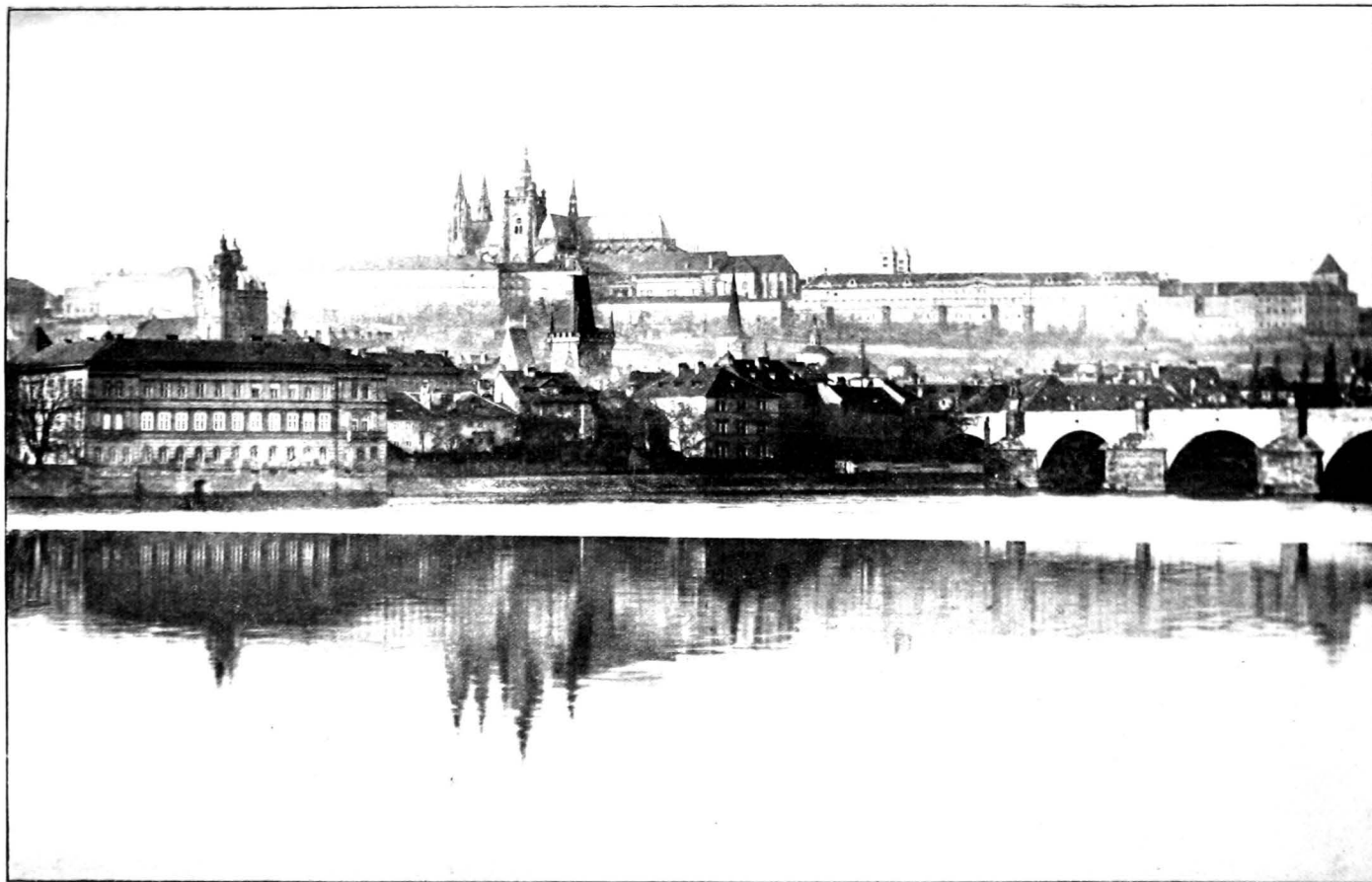
*Carpathian Ruthenia.* The failure of the Magyar administration was nowhere more striking than in this country, where, owing to deliberate neglect on the part of the Magyar Government, 90 per cent of the population were left entirely illiterate. Moreover, the country is almost entirely lacking in convenient means of communication, and the number of emigrants driven by their privations to take refuge in America amounted to 400,000. The people have preserved their Ruthenian dialect, and, in their Greek Uniatic Church, the Slav liturgy. In the last fifty years an anti-Magyar movement became manifest. Its chief source is to be found in Ruthenian orthodoxy which was threatened in its existence by Magyar efforts to introduce the Magyar liturgy. This movement alarmed the Magyar Government who, a few months before the outbreak of the war, began proceedings for treason against 280 peasants of the Marmaros area who had returned to orthodox religion.

*The Great War and the establishment of the Republic.* With the outbreak of the Great War both the Czechs and the Slovaks, who, to the last man, were unconcealed opponents of the war, found themselves subjected to a political reign of terror supported by military and police espionage and censorship, which not merely muzzled the press, but rendered any intellectual expression impossible. The Czech regiments repeatedly surrendered *en masse*, without firing a shot, to the Russians and the Italians whom they regarded as their deliverers, and formed legions of volunteers to fight Austria on the Entente side. Under the leadership of Professor Masaryk, the philosopher, sociologist and politician, who has gained a world-wide reputation as one of the champions of the freedom of small nations, they initiated an efficient political and military campaign against Austria which resulted in the recognition by the Allies of the Czechoslovak claim to independence, and in the complete break-up of Austria Hungary, and final establishment of the Czechoslovak Republic on distinctly progressive and democratic lines.

By the political action of the Ruthenian emigrants in America taken on behalf of their countrymen in northern Hungary, the territory of Carpathian Ruthenia was also united with the Czechoslovak Republic.

### 3. THE POLITICAL SITUATION OF CZECHOSLOVAKIA IN PRESENT-DAY EUROPE.

The Czechoslovaks, stationed in the midst of a vast Germanic population, form the western advance-guard of the Slavs. The Germans who surround the Czechoslovak territory on three sides, together with the Magyars who skirt it to the south-east, have penetrated the Republic especially in the frontier districts. It is only on the north-east and the east that Czechoslovakia is in contact with friendly States. The direct railway commu-



Prague. Castle (Hradčany).

nications on the routes London-Belgrade-Constantinople, Paris-Warsaw-Petrograd, as well as those between Berlin and Vienna or Budapest (Constantinople and Salonica line), the communications between Petrograd-Warsaw-Vienna and southern Europe (the Adriatic) all pass through Prague and Czechoslovakia. Czechoslovakia is the natural centre of Europe, not only as regards railways and water transport, but because of its political and economic importance. Owing to its natural wealth and the energy of its inhabitants, it is capable of competing, in an economic respect, with the most advanced States.

In its foreign policy Czechoslovakia is prompted by the spirit of loyalty and friendship to the Allies, side by side with whom, and with whose help the independence of Czechoslovakia was achieved, and by a spirit of justice and honesty towards the neighbouring States who during the war were hostile to Czechoslovakia. It aims at the maintenance of peace with its neighbours and the preservation of the Peace Treaties as the only possible basis for the reconstruction of Central Europe. To achieve this end the Little Entente has been created, consisting of an alliance between Czechoslovakia, Jugoslavia and Rumania; it is conceived by Czechoslovakia to be the foundation of a new political system of friendship in Central Europe, the outstanding feature of which is to be equality and mutual respect between the nations participating in it, and to ensure stability, peace and economic prosperity for all the States concerned.

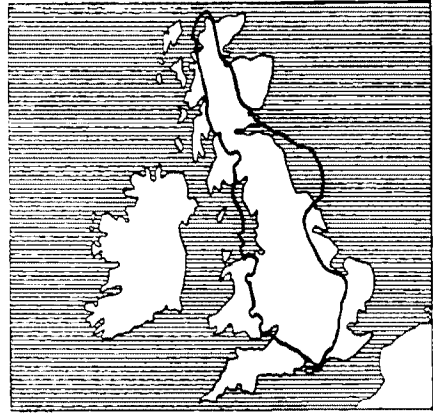
As regards home affairs, the same principles have been applied to the development of the Czechoslovak Republic, which endeavours to be democratic in the best sense of the word, being based upon the unselfishness, the honesty, collective responsibility and the determination of its citizens and aiming at the development of creative labour within its frontiers and at a democratic solution of social problems without any violent upheaval whatsoever.

## CHAPTER II.

### GEOGRAPHY AND POPULATION.

*Situation.* The Czechoslovak Republic with the autonomous territory of Carpathian Ruthenia is situated in Central Europe, extending along the 50<sup>th</sup> parallel of latitude (N), and between the 12<sup>th</sup> and 25<sup>th</sup> degree of longitude (E), in a long strip of territory resembling England and Scotland laid from west to east. The distance from the extreme east to the extreme west of its territory is 594 miles (950 km), which is almost the distance from London to Milan, and is about the same as the length of Great Britain. Its maximum width however, does not exceed 175 miles, and in places (Carpathian Ruthenia) it is only about 45 miles.

The Republic borders on Germany, Austria, Hungary, Rumania, and Poland (whether it will also border on Russia or the Ukraine depends upon the fate of Eastern Galicia). The German part of the boundary forms about one half of the total length of the whole boundary of the Republic, the Austrian part about one seventh, the Hungarian about one fifth, the Rumanian about one twelfth, the Polish (or Polish and Russian) about one quarter. The whole frontier towards Germany and a part of the Austrian frontier is clearly defined

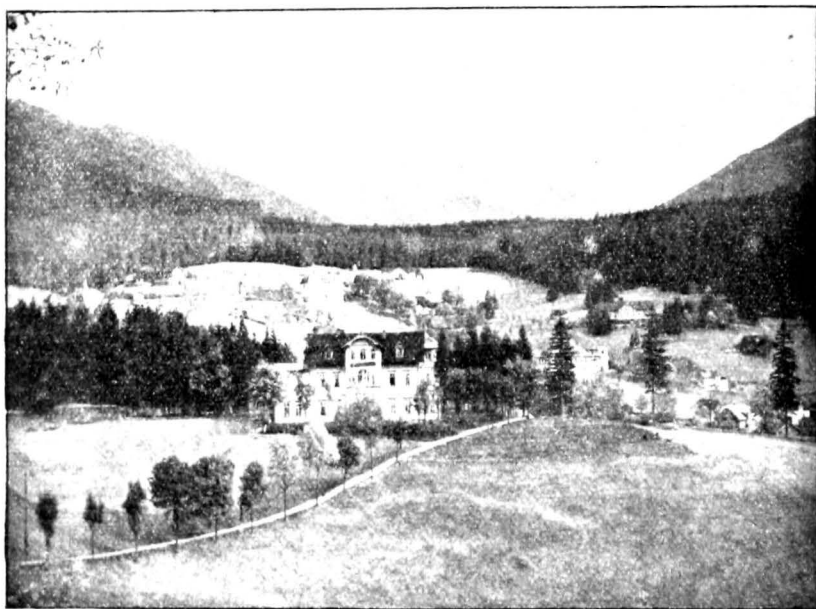


Comparison of areas--England and Czechoslovakia.

by high ranges of mountains, and about half of the boundary with Austria and Hungary by the rivers Morava (March), Danube, and Ipola (Ipel).

*Surface and climate.* From the standpoint of geology and physical geography the territory of the Czechoslovak Republic may be divided into two complementary parts: the first comprising the whole of Bohemia, the western and north-western part of Moravia, and the Silesian district of Opava (Troppau), the second consisting of the northern and

western range of the Carpathians, including thus Slovakia, the adjoining portion of Moravia, and the Silesian district of Těšín (Teschen). The first part comprises the Bohemian basin enclosed by a circular range of high mountains in the north, west and south, and a lower plateau allowing of easy communication with the second, the eastern part, which from an easy elevation of the White Carpathians between Moravia and Slovakia rises into a mighty chain of the High Carpathians forming a natural frontier to the north, inclines gradually to the south towards



Krkonoše — Spindelmühle.

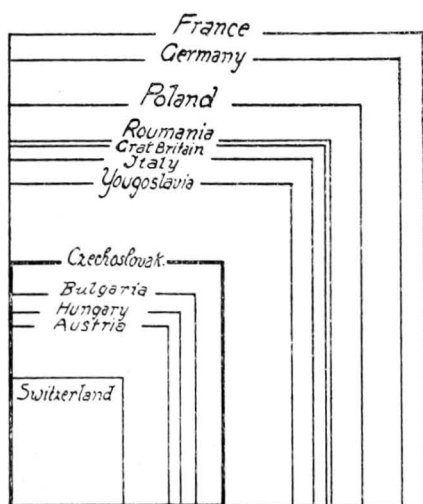
the Danube and the Hungarian Plain. The Bohemian basin is a network of waterways drained by the Vltava (Moldau) and Elbe (Labe), both of which are navigable far inland and linked by their tributaries (Otava, Berounka, Ohře, Sázava) and canals with every part of the country. It is enclosed in the south and south-west by the Šumava (4,500 ft), and the Bohemian Forest, in the north west by the Ore Mountains (Krušné Hory, Erzgebirge), in the north and north-east by the Giant Mountains (Krkonoše, Riesengebirge) and the Sudetic Mountains; in the East the Czecho-Moravian plateau allows of easy communication with Moravia. The Carpathian range attains its most majestic beauty in the High Tatras, some of whose peaks rise to an altitude of nearly 9,000 feet over the valleys of the Váh and Poprad; these mountains belong to the most beautiful in Europe. The rivers of Slovakia, the Vah, Hron, Ipola, running parallel with the river Morava (March),

form a watershed of the lower part of the Northern Danube, to which also the waterways of Moravia belong. The March valley forming the division line between the two portions of the territory of the Republic is connected in the north with the plain of the Oder which connects the Re-



Tatry Rysy.

public with the Baltic Sea. The basin of the Danube (Black Sea) forms about 60 per cent, of the whole territory of the Republic, the Vltava-Elbe (North Sea) basin about 35 per cent, the Oder (Baltic Sea) basin about 5 per cent.



Area of territory of various countries.

*Area.* The area of the Czechoslovak Republic is 54,877 sq. miles (140,485 sq. km.), of which Bohemia covers 20,333 sq. miles (52,052 sq. km.), Moravia and Silesia 10,438 sq. miles (26,724 sq. km.), Slovakia 19,148 sq. miles (49,015 sq. km.), and Carpathian Russia 4,958 sq. miles (12,694 sq. km.).

According to its size the Czechoslovak Republic occupies the 14th place among the European States.

The climate of Czechoslovakia forms a mean between the maritime and the continental climate.

The rainfall is on the whole very even, and is mainly confined to the summer, varying from about 20 in. on the lower to about 30 in. on the higher levels, but in places reaching even 40 in. (in the Giant Mountains) and 70 in. (in the Bohemian Forest). The temperature varies with the altitude, the warmest part of the Republic being the large plain crossed by the tributaries of the Danube in the lower part of their course. Prague has an annual mean temperature of 9.2° C (48° F), and an average range from -0.5° C to +29.5° C (from 30° F to 68° F).

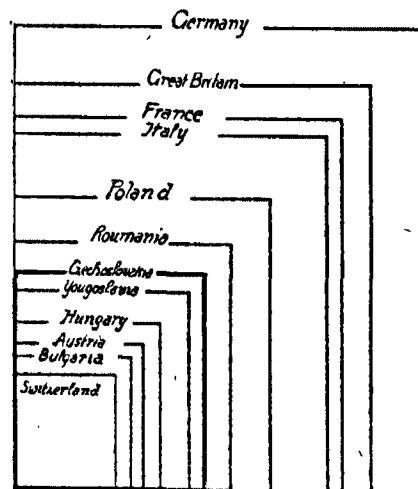
The winter in Bohemia and Moravia lasts only 2½ months. The climate of Slovakia and Carp. Ruthenia is more like the continental; the winter is severe and the summer hot, while spring and autumn are short. The distribution of rain in the whole Republic is favorable to agriculture.

## 2. POPULATION.

*Numbers.* According to the last census the population of the Czechoslovak Republic on the 15th of February 1921 was 13,595,816 persons, who were settled in 12,653 communities, and 1,933,776 houses. Of this number 6,664,932 persons (8,056 communities and 866,974 houses) were in Bohemia, 3,331,674 persons (3,320 communities and 473,550 houses) in Moravia and Silesia, 2,993,479 persons (1,143 communities and 480,431 houses) in Slovakia, and 605,731 persons (134 communities and 112,821 houses) in Carpathian Ruthenia.

In 1910 when the previous census was taken, the same territory contained 13,596,601 persons, and can be thus considered unchanged (the decrease of only 785 persons is, considering the war, very small); in the ten years previous to that, however, the population of the lands forming the Republic showed a steady increase (in Bohemia 7.1 per cent, in Moravia 7.6 per cent, Silesia 11.2 per cent, Slovakia 4.9 per cent, and Carpathian Ruthenia 13.2 per cent).

The average density of population in the Republic in 1921 was 248 per square mile (97 per sq. kilometre). (Bohemia 128 per sq. km., or 328 per sq. mile, Moravia 119 per sq. km., 305 per sq. mile, Silesia 152 per



Comparison of total population of various countries.

sq. km., — 389 per sq. mile, Slovakia 61 per sq. km., — 156 per sq. mile and Carpathian Ruthenia 48 per sq. km., or 123 per sq. mile.)

The numerical strength of its population places the Czechoslovak Republic *tenth* among the European States; in respect of density it occupies the *seventh* place.

As in most European countries the females are more numerous in the Czechoslovak Republic than the males. For 1000 men there are in Bohemia 1047 women, in Moravia 1066, in Silesia 1045, and in Slovakia 1074. In the whole Republic in 1910 out of each 10000 persons 4863 were male and 5137 female.

*The age distribution of the population (for 1910) was as follows:*

for 1000 inhabitants there were:	In Bohemia, Moravia and Silesia	In Slovakia and Carpath. Russia.
under 20 years of age. . . . .	435	480
between 20 and 40 . . . . .	286	438
between 40 and 60 . . . . .	191	
over 60 . . . . .	88	82

Fewest minors are in Bohemia 427 per 1000, which is about the same proportion as in England, Holland and Germany, but more than in France. The number of minors steadily increases towards the East, and is the greatest in Carpathian Ruthenia, which in that respect resembles Russia or the Balkan countries, where the minors form more than half of the total population.

*Statistics of Families in 1910.* Of 1000 men in 1910 on the territory of the Republic 594 were unmarried, 376 married, and 30 widowed or divorced; of 1000 women 531 were unmarried, 373 married, and 96 widowed or divorced. Most men and women marry between their 24th and 30th year; bachelors over 30 form an exception among the men; they number only 9.1 per cent in Bohemia, 9.3 per cent in Moravia, and 10.1 per cent in Silesia. Of women over 30 years of age 10.7 per cent are unmarried in Bohemia, 12.4 in Moravia, and 13.5 in Silesia.

*Natural movement of the population. Marriages.* In the first ten years of this century the number of marriages per 1000 inhabitants was 79 in Bohemia, Moravia and Silesia, and 83 in Slovakia. This was surpassed only by Russia, Poland and the Balkans.

*Birth rate.* In the same period there were born in Bohemia, Moravia and Silesia 324 children per 1000 inhabitants (in Bohemia 313, Moravia 340, Silesia 375), in Slovakia about 400. A decrease in the birthrate — a modern phenomenon appearing in all civilized countries



— is most marked in Bohemia, where it has fallen from the annual percentage of 3.73 in 1885 to 3.13 for the period 1901—1910, and to 2.58 in 1913. In Moravia in 1881—1890, the birth-rate was about equal to that of Bohemia, but in 1901—1910 it surpassed that of Bohemia by 27 per cent. In Silesia and Slovakia the birth rate is almost stationary.

*Death rate.* In the Czechoslovak Republic the death rate is the smallest in the west (in Bohemia) and increases towards the east. In the period 1901—1910 there were in Bohemia 218 deaths per 1000 inhabitants, in Moravia 230, in Silesia 245, and in Slovakia about 235. Since the second half of last century mortality has rapidly diminished: in the period 1881—1890 it was 290 per 1000 inhabitants in Bohemia.

*Natural increase of population.*

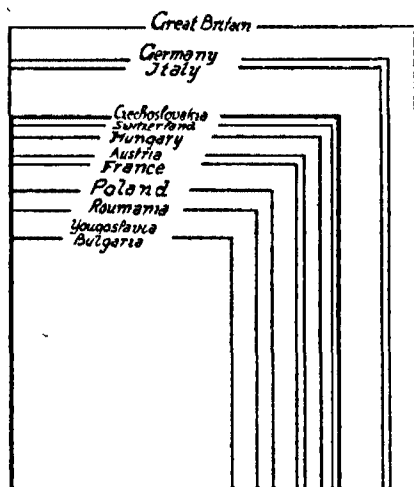
For each 100 inhabitants in the period 1901—1910, the excess of (live) births over deaths was in Bohemia 9.5 per year, in Moravia 11 per year, in Silesia and Slovakia 13 per year.

*Occupational statistics (1910).*

In Bohemia, the western part of the Republic, industries predominate; 41 per cent of the population is engaged in industries, 32 per cent in agriculture. In Moravia, the conditions are reversed; agriculture accounts for 41 per cent of the population, and industries for 35 per cent. The most

industrial region is Silesia, where 46 per cent of the inhabitants are engaged in industries, 29 per cent in agriculture. On the other hand, in Slovakia and Carpathian Ruthenia there is an absolute preponderance of agriculture; in these two districts 61 per cent and 70 per cent respectively of the population are engaged in agriculture, 20 per cent and 11 per cent respectively in industries.

*Illiteracy.* Education is wide-spread in Bohemia, Moravia and Silesia, where the number of illiterates is from 2.1 to 3 per cent. In Slovakia where under the Magyar Government teaching was not carried on in the national language, even in the primary schools, there were still 27.8 per cent illiterates in 1910. But about 2,700 Slovak primary schools were opened in the very first year of the establishment of the Czechoslovak Republic, and a rapid improvement in this respect may therefore be expected.



Density of population of various countries.

## ETHNICAL SURVEY.

A thousand years ago the whole territory of the present Republic (excepting eastern Slovakia, where Russians had settled very early) was inhabited solely by a Czechoslovak population, which extended well beyond the present frontiers; in the south the Czechoslovaks spread as far as the Danube, where they were neighbours of the Slovenes, a kindred race. They also occupied the entire northern part of Higher and Lower Austria; in the west the Czech tribes penetrated into Bavaria, and in the north, the whole of Prussian Silesia was inhabited by Slavs. A great part of this territory was lost owing to German and Magyar aggression. The Germans first took possession of Lower Austria and Germanized the inhabitants of the north bank of the Danube; soon after they penetrated Silesia and succeeded in Germanizing the greater part of this country. They first came into Bohemia and Moravia only in a commercial capacity, and it was not until the 12th and 13th centuries that they began to colonize in larger numbers, when the last kings of the dynasty of Přemysl invited them to the country and established them

near the frontiers or authorized them to found cities in the interior of the country. During the 13th and 14th centuries nearly a third of Bohemia and Moravia was thus Germanized, the Germans occupying a zone of varying depth in the border regions. They penetrated furthest into the interior of the country from the west and from the north; along the southern frontier their zone remained narrow, and on the eastern frontier, at the boundaries of Moravia and Silesia they did not settle at all. Since the 15th century the situation thus created has been modified but slightly. In the 15th century the Hussite movement for a time strengthened the Czech element; all the towns in the interior of the country became Czech at this period, and the German element on the frontiers was driven back, especially in the north-east of

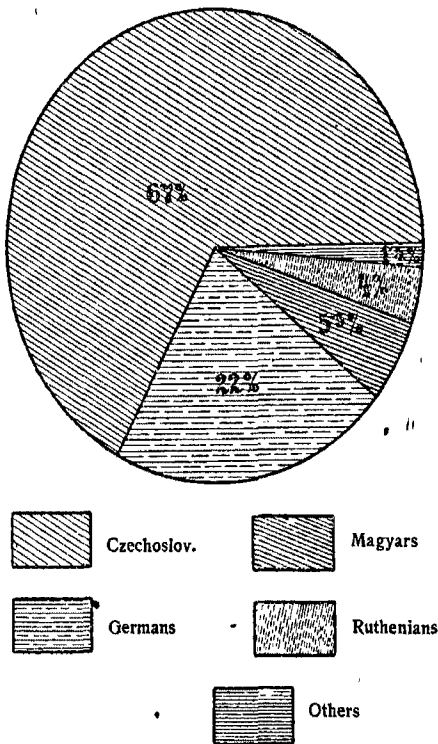


Diagram showing the relative numerical strength of the nationalities inhabiting the Czechoslovak Republic.

Bohemia. The progress of the Czech element was however not lasting; after the Battle of the White Mountain, and in the Thirty Years War the Czech countries were depopulated, and the Germans began once more to penetrate into Bohemia. They made especially great progress in Germanizing the country when the Habsburgs introduced the German language (in place of the Czech) as the language of the State.

The progress of Germanization reached its culminating point at the end of the 18th century; with the national revival, at the beginning of the 19th century, the situation altered to the advantage of the Czech race. Attempts at Germanization, however, continued, and the Czech nation suffered owing to the fact that the German element, supported by the Austrian government, was much more powerful financially and economically. These attempts were nevertheless soon defeated by the tenacity of the Czech element, which, thanks to its greater inner strength not only maintained its position, but destroyed the artificial German aspect which had been imposed upon the greater part of the towns during the 17<sup>th</sup> and 18<sup>th</sup> centuries. The Czechs assimilated various isolated German groups and penetrated in large numbers into the coal basin of north-eastern Bohemia, into the German islands surrounding the principal towns of Moravia (Brno, Olomouc, Jihlava) and several of the Bohemian towns (Budějovice). Under the Austrian regime this natural advance of the Czech element was hindered by the privileges enjoyed by the German capitalist class; and the real state of national progress made by the Czechs was concealed by false Austrian statistics: After the fall of Austria and the constitution of the Czechoslovak Republic the true state of things began to reveal itself. With the introduction of a just system of election and the adoption of the principle of proportional representation the Czechs were suddenly able to obtain a considerable majority in the last municipal elections, and succeeded to the administration even of places where hitherto they had not been allowed to take part in the communal representation; and with the introduction of the principle of proportional representation not a single one of the so-called German towns in the Germanized regions is without a Czech minority.

The Slovaks suffered less from Germanization than from Magyarization which, especially in the last fifty years, assumed very ruthless forms and great proportions. The German element penetrated Slovakia also in the 12th and 13th centuries, but to a less degree; the Germans formed only a few islands of varying size, and some of these are already being assimilated by the autochthonous population. Like the Germans in Bohemia and Moravia, the Magyars used their political hegemony to penetrate the Slovak element and Magyarize the non-Magyar people; from 1867 their efforts in that direction were especially assiduous, par-

ticularly in the towns, where the Magyars controlled the schools and slowly succeeded in depriving the Slovaks of all instruction in their mother tongue. The fall of Hungary, however, put an end to these schemes, and delivered the Slovaks from their oppressors and from the danger of losing their nationality.

Racially and linguistically the Czechs and the Slovaks are one people, the differences, if any, being psychological and not racial, and caused by long political separation into two states. Their languages are so similar that one can be said to be a dialect of the other; in reality they are but two branches of the same language which have been exposed to divergent influences. They have followed the same organic evolution but have not reached the same stage of development. In certain points the evolution of the Slovak is more advanced than that of the Czech, in other points it is behind it; beneath these external variations, however, the philologist recognizes without difficulty the actual identity of the two branches, grown out of the same trunk and nourished by the same sap.\*) How small the difference between them is, appears from the fact, that up to recently the Slovaks used the Czech for their literary language; and a Czech from Western Bohemia will without difficulty understand a Slovak from Eastern Slovakia and vice versa — the difference being much less than the difference between the dialect of Somerset and that of Yorkshire, or between the langue d'oïl and the langue d'oc, or between German as spoken in Saxony and that spoken in the German-Swiss border.

*Racial Statistics.* Up to the time of writing the results of the February 1921 census with regard to race have not been published, and we can judge as to the proportion of nationalities inhabiting the Republic only from the German and Magyar statistics of 1910. Both of these, by artificial, if not by foul means, augmented the numbers of the dominating races to the disadvantage of the Czechs and Slovaks. According to these statistics 62.66 per cent of the population of Bohemia in 1910 were Czech, and 36.45 per cent German; in Moravia 71.27 per cent Czech and 27.44 per cent German; in Silesia 29.26 Czech, 45.85 German and 22.76 Polish; in Slovakia 57.49 Slovak (or Czech), 6.73 German and 30.54 Magyar. According to these statistics the population of the territory forming the Republic today consisted of 58.98 per cent Czechoslovaks, 27.73 per cent Germans, 7.86 per cent Magyars, 3.17 per cent Ruthenians, and 1.23 per cent Poles (the remaining 1.51 per cent being foreign residents).

Actually, the proportion is more in the favour of the Czechs and Slovaks. Judging from the results of the last elections and from other

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\*) See Denis, *Les Slovaques*, Paris 1917 p. 99, and Appendix (Baudiš).

considerations (such as the number of school children of each race), the Germans in Bohemia constitute about 31 per cent of the population, in Moravia about 20 per cent, in Silesia barely 40 per cent (including the whole Teschen district). The provisional census taken in Slovakia in 1919 produced the following results: Slovaks 65.3 per cent, Magyars 22.7 per cent, Germans 4.7 per cent, Ruthenians 4.5 per cent. These latter statistics have been confirmed by the elections held in the current year; out of 60 deputies elected in Slovakia, 10 or one-sixth, are Magyars. The regions inhabited by the Magyars form a strip skirting the south and south-east frontiers. The Germans form two islands, north of Nitra and in the district of Spiš; the Ruthenians are to the east, along the Polish frontiers.

The territory of Carpathian Ruthenia is inhabited by Ruthenes, and it is only in the south-west extremity that there are any Magyars. According to the Magyar statistics of 1910, the Ruthenians formed 55.8 per cent, the Magyars 29.6 per cent, and the Germans (the greater part of whom were Jews) 10.9 per cent of the population. In reality, the Ruthenians represent at least 65 per cent of the total.

Accordingly it would appear that the population of the whole Republic consists of *approximately* 67 per cent Czechs and Slovaks, 22 per cent Germans, 5.5 per cent Magyars, 4 per cent Ruthenes, and an insignificant fraction (1.5%) of Poles.

Attention should also be drawn to the fact that the adjacent States contain a number of Czechoslovak immigrants. In the Austrian Republic there are about 500,000; in Hungary (even according to Magyar statistics) at least 430,000; in Jugoslavia and Rumania more than 200,000.

*Distribution according to age among the Czechs and Germans in Bohemia, Moravia and Silesia.* The success of the Czech nation in the 19th century and its victories over the German element are due to the superior vitality of the Czech race, which enjoyed greater national development, being represented mainly by youth, whereas among the Germans old age was predominant. In 1910 of 1000 Czechs of Bohemia, Moravia and Silesia 325 were less than 14 years of age, but only 303 of the Germans; on the other hand, of 1000 Czechs 184 were between 40 and 60, and only 80 were over 60; while of the same number of Germans 193 were between 40 and 60, and 87 over 60. The mortality among the Czechs, however, was no higher than among the Germans; on the contrary, the Germans did not multiply as fast as the Czechs. These facts explain one of the causes of the progress made by the Czechs in the 19th and 20th centuries over the Germans.

#### 4. RELIGION.

By the Constitutional Charter, "liberty of conscience and religious creed is guaranteed" and "all religious confessions shall be equal in the eye of the law"; moreover, "in so far as citizens of the Czechoslovak Republic are entitled by the common law to establish, manage and administer at their own cost philanthropic, religious or social institutions, they are all equal, no matter what be their nationality, language, religion, or race, and they may, in such institutions, make use of their own language, and worship according to their own religious ceremonies".

Thus, by its Constitution, the Czechoslovak Republic laid down the principles which, while indicating the policy of the State with regard to religious affairs, form in themselves a guarantee for a peaceful development of the spiritual life of the population. By means of financial grants, the State supports the various ecclesiastical communities in their moral and educational activities, and allows the Churches to organise their work freely according to their own principles and needs.

The population in 1910 (13,594,973) included 11,400,000 Roman Catholics (85%), 920,000 Protestants (7%), 590,000 Greek Catholics, 394,834 Jews and 37,000 of various minor creeds.

For the explanation of the fact that the nation which raised the banner of reformation in Central Europe, is now in its great majority Roman Catholic we must look into history. Before the battle of the White Mountain the majority of the population of the Czech lands was Protestant; but under the rule of the Habsburgs during the 17<sup>th</sup> and 18<sup>th</sup> cent. the people were forcibly driven back to Catholicism. When in 1781 the Emperor Joseph II, carried away by the prevailing liberalism of his time, promulgated the Edict of Toleration, by which all his subjects were allowed to declare themselves Protestants (Lutherans or Calvinists), or Orthodox, there was already very little of the old tradition left in the country, and only a few remnants of the Hussites and the Bohemian Brethren chose to declare themselves Protestants. The proportion of Roman Catholics in the Czech countries remained at about 95%.

It was quite different in the territory of Teschen and in Slovakia, where religious persecution did not last so long as in Bohemia, and where the reformed faith was sooner authorized; there are therefore more Protestants in Slovakia and Silesian Teschen.

All the Ruthenes of the Republic belong to the United Greek Church, to which also belong some of the Slovaks in the eastern departments of Slovakia. The Jews are scattered throughout the Republic, being most numerous in the eastern regions, among the Slovaks and the Ruthenes, where they almost invariably declare themselves Germans or Magyars.

The adherence of the Czechs to the Roman Catholic Church is often

only nominal, and during the last two decades a movement was making itself manifest among the intellectual and working classes towards secession from the Roman Church and non-ecclesiastic religious life. Since 1918 some 1,000,000 persons left the Roman Church, the greater part of them joining a newly formed National Church, the result of a demand for reform on the part of a considerable section of the priesthood. The reforms, including the abolition of celibacy, the introduction of the vernacular into the services, and a more democratic administration of Church affairs, were rejected by the Holy See, and a Czechoslovak Church was founded (in January 1918) which has a (steadily increasing) membership of 500,000, and possesses about 120 churches; it is negotiating for recognition by and co-operation with the Church of England and other national Churches.

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## CHAPTER III

# POLITICAL ORGANISATION.

### 1. CONSTITUTION OF THE REPUBLIC.

The definitive constitution of the Czechoslovak Republic is the work of its First National Assembly, a body [which was the product of the Revolution. It was passed by a unanimous vote of the Assembly on February 29th 1920.

The Charter of the Constitution expressly declares the Czechoslovak Republic to be democratic, and the State to be unified, not federative. Only the territory of Ruthenia enjoys a special position with regard to public rights. In accordance with the Treaty of St. Germain the autonomy of this territory is guaranteed, and besides this, the members of the National Assembly elected in Russia are admitted to full rights of discussion and participation in all acts of the National Assembly.

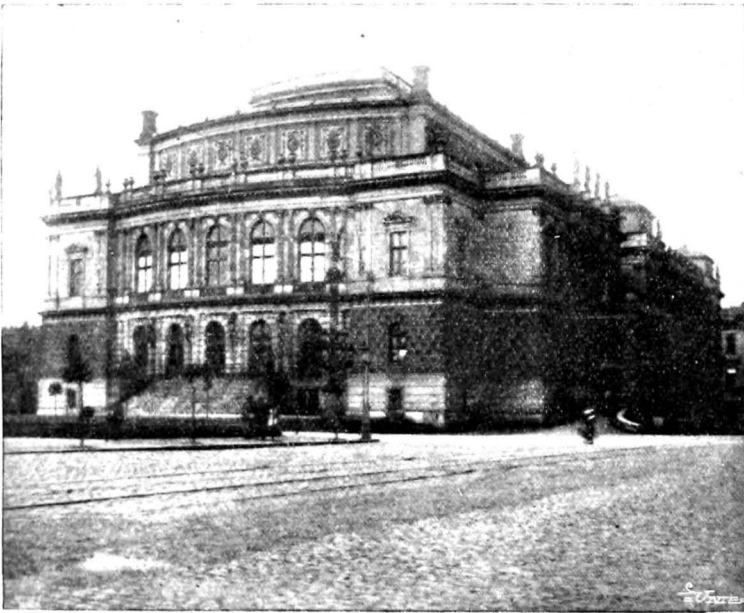
At the head of the Constitutional Charter stands the principle that: "The people are the sole source of all State power in the Republic." The Charter throughout endeavours to give constitutional life to this principle, limiting its application only in cases where the integrity and security of the State categorically demands restrictive stipulations.

Legislative power is unified, with of course the exception of the autonomic diet of Ruthenia. The legislative body (the National Assembly) is composed of two Chambers: the Chamber of Deputies, elected for a period of 6 years and containing 300 members, and a Senate comprising 150 members elected for 8 years. Both Chambers are elected by direct ballot on the basis of democratic rules of suffrage, which recognize the equality of both sexes, and draw no distinction with regard to race, religion or station in life. The franchise for the Chamber of Deputies is open to all citizens who have attained the age of 21 years, for the Senate to all citizens who have passed their 26th year. Eligibility for membership of the House of Deputies commences at the age of 30, for the Senate at the age of 45 years. The elections take place on the basis of the principle of proportional representation carefully worked out to the minutest details. Every voter entered upon the List of Voters is



obliged by law to vote, under penalty of fine or imprisonment, exceptions being made for sick people and persons over 70. On the day before the elections, and on the polling day itself, it is prohibited to sell or to serve drinks containing alcohol.

The reciprocal relations of the two Chambers in respect of legislation do not follow the lines of any other country. In principle the two Chambers are equal in so far that they both enjoy the right of initiative, and that even Government bills may be first introduced in either house. Only in the case of the Budget and Army bills must the mea-



Prague – Parliament.

asures first pass through the Chamber of Deputies. It is also the Chamber of Deputies alone that by a vote of non-confidence can compel the resignation of the Government. A measure passed by the Chamber of Deputies becomes law, despite an adverse decision of the Senate, if the Chamber of Deputies adheres to its first decision by an absolute majority of all its members.

To facilitate effective administration, great care has been devoted to the elaboration of the Rules of Procedure, which concedes to racial minorities within the State the maximum of rights compatible with the practical working of the Parliamentary machine.

The constitution provides for the institution of a Permanent Committee, two thirds of whose members are taken from the Chamber of Deputies and one third from the Senate, which takes the place of the

National Assembly when the latter is adjourned or for any reason is unable to sit. Thus the Government is never without control or without the aid of the legislative body.

The President of the Republic has certain prerogatives in respect of the National Assembly: he convokes, prorogues, terminates, and dissolves parliament, but these prerogatives are strictly limited in the interests of parliament. Thus he is bound to convoke parliament at least twice a year to ordinary sessions, and if need be, to extraordinary sessions. At the request of a qualified majority of either Chamber, both Chambers assemble if necessary at the summons of their respective presidents, without regard to the wishes of the President of the Republic. Even parliamentary minorities of a certain strength can compel the summoning of the National Assembly.

The President of the Republic is entitled to return any law passed by the National Assembly; but the National Assembly may override the President's veto by a vote of an absolute majority of all the members of both chambers, or, failing that, by a two-thirds majority of all the members of the Chamber of Deputies.

The Charter of the Constitution is placed under the special protection of the Constitutional Court, which may declare a law invalid if it conflicts with the Constitution. This institution also serves as a protection of the rights of minorities, both racial and religious.

Government decrees and bye-laws may be issued only on the basis of a law and within its terms. It is the duty of the Courts to see that this principle is duly observed, and to declare as null and void any decree or bye-law which does not conform to the law.

The governmental and executive power in its highest aspects is shared between the President of the Republic and the Government. The President is chosen by the two Chambers of parliament assembled in joint session. He is elected for seven years, and as the head of the State is supreme commander of all armed forces, and can declare war with the consent of parliament. He represents the State in its relations with other States, negotiates international treaties, convokes, prorogues and dissolves parliament, signs all laws enacted by it, appoints and recalls Ministers, and appoints all higher officers, officials and judges. He is himself amenable to the law only on the charge of high treason.

As the President is not responsible at law for his political acts, executive power has been placed in the hands of the Government, which is collectively responsible. The Constitution provides for the settlement of all the more important matters of government by a Council of Ministers, a cabinet meeting, and renders it thus impossible for an individual minister to abuse his position.



Prague. The river Vltava.

The Constitution aims at the democratization of public administration by laying down the principle that the civic element shall as far as possible be represented in the subordinate offices of the State, and by creating special administrative bodies for the counties (župy) and districts (okresy). The civic element thus participates in political administration (interior) in the subordinate offices, and in the administrative courts, where the rights and interests of the citizens are protected. The State or any State official is obliged to make good any damage caused to a citizen through the illegal exercise of public power.

A special section of the Constitutional Charter is devoted to the so-called "fundamental rights and liberties" of the citizens, which are comprehensively enumerated. Privileges derived from sex, birth, or calling are not recognized; all residents of the Republic are guaranteed complete and absolute security of life and personal freedom of which they cannot be deprived except upon legal grounds. Private ownership is inviolable and may be restricted only by law. The Constitution guarantees complete freedom of the Press, of assembly, freedom of instruction and of conscience and religious creed, liberty of expressing opinion, the right of petition, postal inviolability, and domestic liberty. Marriage, the family and motherhood are placed under the special protection of the law. All these guarantees and rights are protected by the Supreme Administrative Court, which sees to the legality of public administration.

The rights of national, religious and racial minorities have also been guaranteed by the Constitution, which safeguards the principle that all citizens, whatever be their race, language or religion enjoy equal civic and political rights, and are in all respects equal before the law. The maintenance of the schools of these minorities is assured, everybody is guaranteed the right to speak and receive instruction in his own language, and every species of forcible denationalization is strictly forbidden.

The Czechoslovak language (in both its forms, the Czech and the Slovak, which being equally intelligible to everybody who knows either of them, are therefore in every respect perfectly equivalent) is declared by the Constitution to be the State, or *official language* of the Czechoslovak Republic.

## 2. ADMINISTRATION AND JUSTICE.

The executive government is placed in charge of 15 ministries, which are concerned with the following matters: Foreign Affairs, Interior, Finance, Commerce and Industry, Public Works, Justice, National Defence, Public Instruction, Public Health, Agriculture, Railways, Posts and Telegraphs, Social Welfare, Food Supplies, and Unification of Laws.

The President of the Republic maintains his own Bureau, — presided over by a permanent official, the Chancellor of the President, — to conduct such matters as fall within his jurisdiction and to facilitate communication with the rest of the executive.

For purposes of political administration the Republic is divided into 22 administrative subdistricts (župy, departments) the heads of which are appointed by the central government, to whom they are also directly responsible.

Local civic government is carried on by popularly elected parish, district, urban, and municipal Councils.

Justice is administered in the following Courts of the Republic: — The Supreme Court of Justice and Court of Cassation sitting in Brno which is the Court of Final Appeal in both civil and criminal cases; 33 provincial assize and district courts, and 410 county and police courts.

There are also special courts for commercial, industrial, revenue and other matters; in industrial centres there are Industrial Courts to deal with disputes between employers and the workpeople.

A special Administrative High Court deals with disputes affecting the administration, e. g., appeals against illegal decisions and regulations made by State authorities, cases of conflict between the central State authorities and the organs of the district or local government, or cases of claims made against the State or the local administration which have been vetoed by the administrative authorities.

An electoral Court, sitting at Prague, decides upon the validity of disputed elections, forfeiture of seats and other questions relating to parliamentary or elected bodies.

A Constitutional Court decides whether laws promulgated by Parliament are in harmony with the Charter of the Constitution.

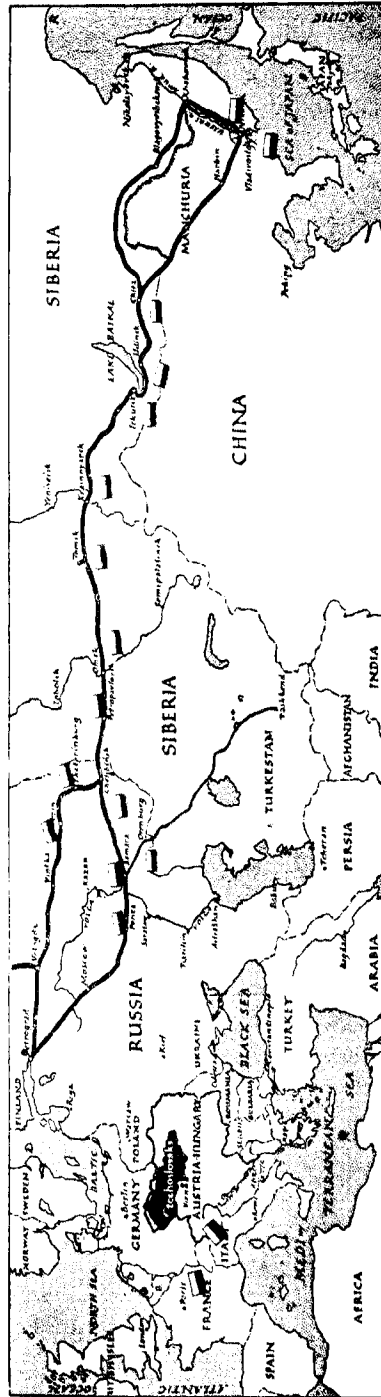
Previous to the rise of the Republic the territories now composing it were subject to two codes of law: the Austrian and the Hungarian. On the collapse of the dual monarchy these codes of law subject to certain modifications were adopted, on the territories where they were previously valid, namely the Austrian Code in what formerly were the lands of the Bohemian Crown (Boh., Mor., Silesia), and the Hungarian in Slovakia and Carpathian Ruthenia. Since 1919 a special ministry "for the unification of legislation and administrative organization" has been entrusted with the unification of the laws of the whole Republic, and two special Commissions of legal experts under the control of the minister of Justice are at work on a careful revision of the old Codes, which when completed and passed by the National Assembly, will be issued as a uniform Code for the entire Republic.

### 3. NATIONAL DEFENCE.

Immediately on the attainment of independence the military forces of the Republic were organized on a democratic basis. The national army was formed partly of the revolutionary troops (the "legionaries"), who during the war fought in Russia, France, and Italy on the side of the Allies, and partly of those Czech and Slovak troops who, on the collapse of the Monarchy, came back from the various fronts, or were levied within the Republic itself.

These two ingredients have now been blended. The conscription law provides for a national army with two years military service, and the strength of the standing army is fixed at 150,000 men.

This force, which is in essence a militia, is designed to be something different from a mere fighting machine. During their term of service the men are given, besides military training, also educational advantages, as well as the opportunity of learning some handicraft. Well-organized continuation schools, and systematic courses of lectures aim at providing the young soldier with a complete adult education. The physical and moral welfare of the troops is moreover looked after by several civil organizations (the Sokols, the Y. M. C. A.) who work in conjunction with the army authorities.



CZECHOSLOVAK FRONTS  
The part taken by the Czechoslovak Armie in France, Italy and Russia, Summer 1918.

#### 4. POLITICAL PARTIES.

Like most continental nations the Czechoslovaks some time ago abandoned the original two-party political system, and in their home politics are split up into a considerable number of political parties, whose programmes differ chiefly in their attitude towards social and racial questions.

The most powerful of these political parties is the *Czechoslovak Social-Democratic Party*, which stands firmly on the programme of the International Social Democracy (Second International), and has at present 48 deputies and 36 senators in parliament. In the first government formed after the declaration of independence the party was strongly represented, and constituted a majority in the second government, formed (in 1919) by one of their leaders, Mr. Tusar. The first parliamentary elections (1920) returned 74 of their deputies, and 41 senators; this number was reduced in September 1920 to the present strength by the secession of 22 deputies and 5 senators (the left wing), who formed an independent Communist party rendering allegiance to the Third International and 4 deputies who formed a party of the socialist center. The great majority of the working classes of Czechoslovakia, however, as events have shown later, remained hostile to Communism, and in the important industrial centres of the Republic the Communist programme was rejected by an overwhelming majority.

The Social Democrats are well organized among the industrial workers, and pursue a Marxist programme aiming at the socialisation of the resources of production and distribution; they are opposed to the dictatorship of the proletariat and are in favour of peaceful, evolutionary, as opposed to revolutionary, methods. In foreign affairs they fully subscribe to the policy of the Government, which aims at maintaining peace and are strongly opposed to all intervention in Russia. At home they are in favour of a close co-operation with the German democratic element in the State. Among their representatives the following are the most prominent: Tomášek, Němec, Tusar, Habrman, Soukup, Stivín, Derer, Markovič, Johaniš, Meissner. Their chief party papers are: *Právo Lidu*, *Nová Doba*, *Robotnické Noviny*, *Akademie*.

The second strongest socialist party in the Republic is the *German Social Democracy* (31 deputies and 16 senators) which follows a similar programme to the Czech Social Democrats, with whom as a rule it takes a common line of action. Leaders: Czech, Czermak; party organ: *Freiheit*.

*The Communist party* (22 deputies and 5 senators) aims at the dictatorship of the proletariat, the creation of a Soviet system of government and a close cooperation with Soviet Russia. Their strength has steadily and considerably fallen off as the economic collapse of Russia

has become known. Their leaders are: Šmeral, Skalák, Kreibich; their party organs: Rudé Právo, Rovnost, Vorwärts.

The third Socialist party in strength are the *Czechoslovak Socialist Party* (24 deputies and 10 senators), formerly called "National Socialists", who, as their name indicates, pursue a national, social policy of moderate socialism as opposed to the internationalism of the Social Democrats. They are particularly opposed to Communism, and in racial questions are inclined to take a radical position. They recruit their membership chiefly from the working classes but partly also from the educated professional classes, having absorbed (1919) the remainder of the former Realist party. Leaders: Klofáč, Krejčí, Stříbrný, Veselý, Franke, Vrbenský. Party organs: České Slovo, Budoucnost, Mladé Proudý.

The Czechoslovak *Agrarian party* has also from the first been the mainstay of every Government, and as things are at present it seems that this party is destined with the help of the Socialists to form part of every Government in the future. Its 28 deputies and 14 senators reinforced by 6 deputies and 3 senators of the party of middle-class tradesmen and workmen, and by 12 deputies and 6 senators of the Slovak National and Agrarian party, form a parliamentary group which is second in power only to the Social Democrats. The party draws its membership chiefly from the peasant and small-farmer class, is in favour of land reform, and increased production all round; it is a strong defender of the principle of private property and therefore anti-Socialist in principle, although not unwilling to take a common line with the Socialists in matters of reasonable social and other reforms. (Leaders: Švehla, Prášek, Staněk, Sonntag; party organs: Venkov, Večer.) *The Slovak National and Agrarian Party* is very interesting because it has been joined by most of the intellectual Slovak leaders, who towards the end of last century revived the ideals of union of the Czechs and Slovaks, and who now unquestionably are the best builders of this union. (Leaders: Šrobár, Hodža, Blaho.) The German peasant and farmer class in the Republic have also founded their Agrarian Party, which in matters of programme fairly well agrees with its Czech and Slovak counterpart. It has 13 deputies and 7 senators in parliament. (Leader: Křepek; party organ: Deutsches Agrarblatt.)

The wealthier, "capitalist" as well as the poorer professional, official, "bourgeois", middle-class is organized in the *National Democratic Party*, which represents the older moderately liberal element in Czechoslovak politics. In parliament they have 19 deputies and 10 senators, sent chiefly by Prague and other larger towns and cities, where they have influential followers among the educated middle-class. They are strongly opposed to the Marxist doctrine and to Communism; they are strongly nationalist and rather distrustful of the Germans, towards whom they are always



more likely to adopt a radical rather than a moderate attitude. (Leaders: Kramář, Rašín, Engliš, Stránský; party organs: *Národní Listy*, *Lidové Noviny*, *Národní Politika*.) Among the Germans they have a counterpart in the *German National and German Democratic parties*, who together with the *German National Socialist Party* have 20 deputies and 11 senators in parliament, and are strongly nationalistic (in the opposite sense), sometimes tending to chauvinism and excess in their attitude towards the Czechs. (Leaders: Lodgman, Radda, Baeran, Kafka, Jung; papers: *Bohemia*, *Reichenberger Zeitung*, *Tagesbote*, *Völkerbund*.)

The ultra-Conservative, Roman Catholic element is represented by the *Popular Party* (sometimes called Clerical Party, because its organization is chiefly in the hands of the priests), which has 33 deputies and 18 senators. In its policy it is anti-socialist, and applies its resources to combatting the anti-Rome movement, and the efforts toward the separation of Church and State, which forms a part of the programme of most of the other Parties. It is recruited chiefly from the peasant class of Slovakia and Moravia, among whom it has considerable influence. (Leaders: Šrámek, Hruban, Kordač, Stojan, Hlinka, Juriga, Budaj; party organs: *Čech*, *Pražský Večerník*, *Slovák*, *Našinec*.) Their counterparts among the Germans and Magyars are the *German and Magyar Christian Socialist Parties*, which together comprise 15 deputies and 7 senators.

In the present parliament (1920—1926—28) the Socialist parties (counting the Socialists of every complexion), as against the "bourgeois" parties, have a small majority of 4 in the House of Deputies (141 : 137) and a minority of 7 in the Senate (68 : 75). Racially the present chamber of deputies has 199 Czechoslovak members, 72 Germans and 7 Magyars, the Senate 103 Czechoslovaks, 37 Germans, and 3 Magyars. The composition of the Chambers explains the fact that hitherto it has been, and in the future it will be necessary to place the Government in the hands of a Coalition Cabinet.

## 5. SOCIAL LEGISLATION.

The democratic predisposition of the Czechoslovak nation and its maturity in social matters, combined with the practical wisdom of its leaders have led the new Republic to the adoption of a social policy, which while proceeding without undue haste, is characterized by a comparatively rapid course of social reform, which having been carried out in time, averted from the State many difficulties which it would have otherwise have had to face. Privileges derived from birth, calling or station in life having been abolished by the constitution, and the equality of the sexes as regards social and political rights having been established practically by the constitution, the legislation proceeded also to the

practical application of the principle of social justice, with special regard to the classes which need protection. For working out and administering social legal measures a special Ministry of Social Welfare was established.

*Insurance and pensions.* Social legislation already before the war took the form of accident and sickness insurance of the working men, miners, railwaymen etc. This has been recently improved and extended to agricultural and domestic workers as well as to the families of the insured. The amount of state support has also been considerably increased.

*Maternity insurance* is included in the sick insurance.

*Old age and disability pensions* are not universal, but a scheme for universal old-age and disability insurance is shortly to be put before parliament. At present the pensions apply to civil servants, and to some private officials. They are however secured also for the widows and the orphans of the assured.

*Pensions for War invalids and care of the disabled.* A system of provision for the disabled has been organised from the very beginning of the Republic. In addition to legal compensation granted to the disabled, the Ministry for Social Welfare has taken measures to render them capable of leading an independent existence. These measures were organised by a special body appointed for that purpose with branches throughout the Republic. Besides this, a law has been passed providing for the grant of pensions to the disabled. Those unable to work (disability up to 100 per cent) receive 1800 crowns per annum, widows 600 crowns, orphans 300 crowns. The number of widows and orphans is estimated at more than 300,000. The grants made to the disabled represent a budget item of more than 800 million crowns annually.

*Insurance against unemployment* was originally introduced as an emergency measure, but the economic conditions following the War necessitated the maintenance of this form of insurance which for normal times has been legalized in the form of State contributions to the Trade Unions payments (Ghent system).

*Hours and conditions of work.* It is interesting to note that one of the first laws passed by the revolutionary National Assembly of the Czechoslovak Republic was the enactment of an Eight-hours working Day (19<sup>th</sup> December 1919) which fully conforms with the latterly adopted resolution of the International Labour Bureau. It extends to all, even agricultural, workers, but is sufficiently flexible to satisfy the needs of production, especially in agriculture. It also contains provisions in respect of night work, the work of women (especially mothers), children and adolescents.

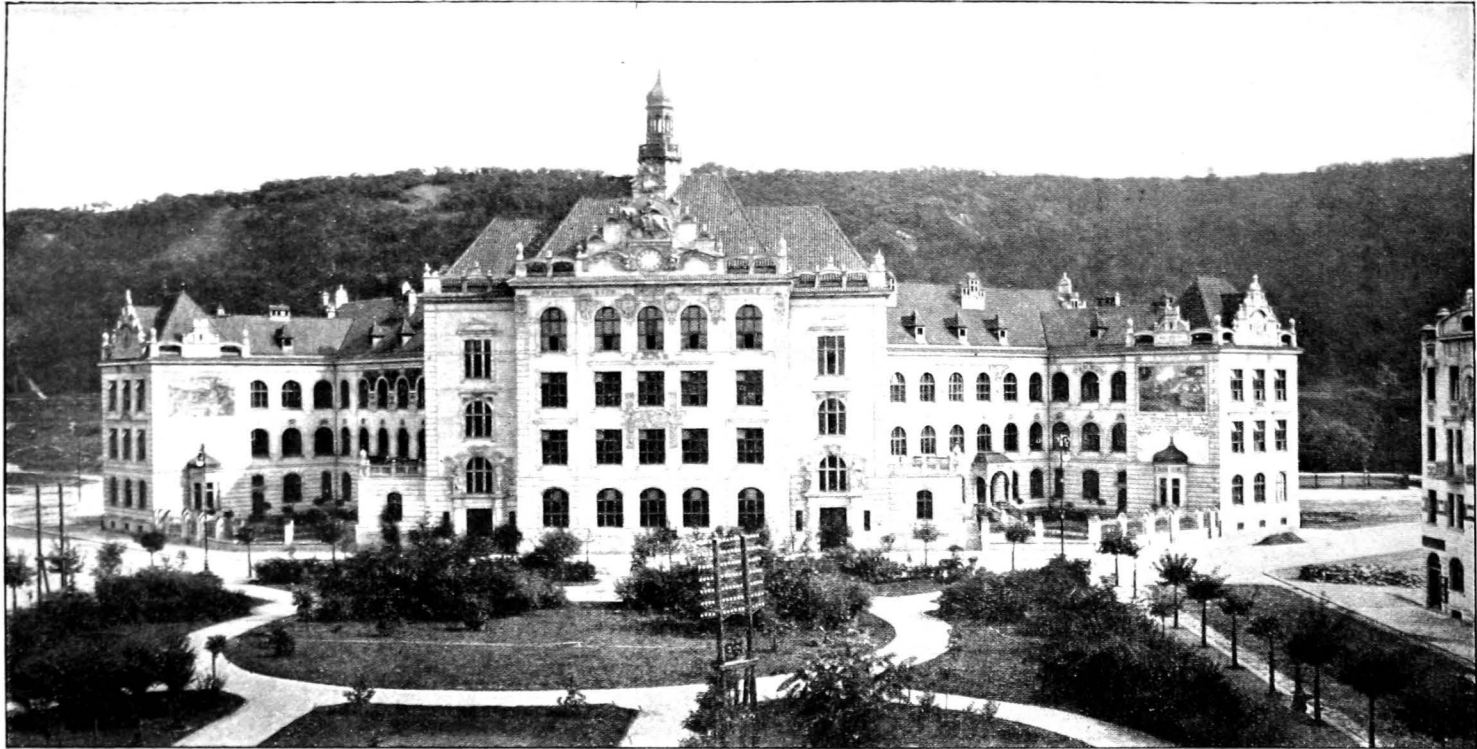
All work of an industrial character carried on in private dwellings ("home industries") is subject to the control of special commissions. An arbitration board has been established by law to settle conditions of work

and wage disputes in metallurgical industries, and a central board for the *inspection of industries* has been created (under the Ministry of Social Welfare) to control the management of factories of all grades, as well as industries carried on in private dwellings.

*Protection of children and women.* There are several organisations aiding the Ministry of Social Welfare in its activities for the protection and welfare of women and children; among them the Czechoslovak Red Cross is the most important, which has thus found a very large field for new activities and has been transformed from a war into a peace organisation.

*Housing measures.* Owing to the house shortage, the law prohibiting unjustifiable absence from home, as well as all unjustifiable removal into over-crowded districts, has remained in force until the present day. The Government has even had recourse to the requisitioning of unused dwellings. The Ministry for Social Welfare encourages building enterprise by special State bonuses and guarantees. In this connection it has made grants amounting to 350 million crowns for the year 1919, and to 300 million crowns for the year 1920.

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Elementary School Prague.

## CHAPTER IV.

### EDUCATION.

Instruction in the Czechoslovak Republic is compulsory between the ages of 6 and 14. The schools may be divided as follows:

1. Primary or National Schools which are divided into two grades — Elementary (5 years) and Advanced (3—4 years).
2. Secondary Schools, which can be entered after the completion of the elementary national schools, and are of four kinds:  
 Classical or Grammar Schools (Gymnasia) — 8 years.  
 Modern Schools (Real-schools) — 7 years.  
 Reformed Schools (Real-Gymnasia) — years.
3. Trade, Arts, and Special Schools, which can be entered after the completion of three or four years of the Advanced National Schools or the same number of years of Classic or Modern schools.
4. Universities and Technical Colleges, accessible after the student has passed through a secondary school.

#### *Statistics.*

1. The following was the numerical strength of *National schools* at the beginning of the school year 1920—21:

	ELEMENTARY			ADVANCED		
	Public Schools					
	Schools	Classes	Pupils	Schools	Classes	Pupils
Bohemia . . . . .	6186	19,801	975,136	845	3226	162,828
Moravia-Silesia . .	3448	10,772	531,860	454	1609	68,854
Slovakia . . . . .	3680		402,269	102	510	20,849
Carpath. Russia . .	685			10	40	1,602
<b>Czechoslov. Republic .</b>	<b>13,988</b>		<b>1,909,265</b>	<b>1411</b>	<b>5385</b>	<b>254,133</b>

In 8944 (64.0%) of the *elementary* schools instruction was carried on in Czech or Slovak; in 3423 (24.7%) schools in German, in 876 (6.2%) in Magyar, 527 (3.8%) in Ruthene, and in 87 (0.6%) in Polish.

Of the *advanced* public schools

979 (69.3%) with 183,443 (72.1%) pupils were Czech or Slovak,  
 9 (0.7%) with 1,261 (0.5%) pupils were Ruthene,  
 400 (28.3%) with 63,087 (25.2%) pupils were German,  
 20 (1.5%) with 5,024 (1.2%) pupils were Magyar,  
 and 3 (0.2%) with 418 (0.2%) pupils were Polish.

2. The following was the state of *Secondary schools* at the same time:

	Schools	Classes	Students
Bohemia . . . . .	203	1576	52,823
Moravia-Silesia . . . . .	116	893	29,195
Slovakia . . . . .	58	433	14,261
Carpath. Russia . . . . .	6	55	1,422
<b>Czechoslov. Republic . . . . .</b>	<b>383</b>	<b>2957</b>	<b>97,701</b>

Of these schools

248 (64.9%) with 65,342 (67.1%) students were Czech or Slovak  
 7 (1.9%) with 764 (0.8%) students were Ruthene,  
 121 (31.3%) with 25,146 (25.8%) students were German,  
 6 (1.6%) with 5,606 (5.8%) students were Magyar,  
 and 1 (0.3%) with 471 (0.5%) students was Polish.

Of the total number of Students 74,932 (76.5%) were boys, and 22,769 (23.5%) girls.

3. Besides these secondary schools there was a large number of *Commercial*, special *Industrial* (Trade), and *Agricultural* schools, whose strength at the beginning of the school year 1920—21 was as follows:

The number of State commercial schools was 269, with 29,990 pupils, of whom 19,318 (64.4%) were boys and 10,672 (35.6%) were girls; of these 163 Czech or Slovak, with 19,668 (65.6%) pupils, 2 Ruthene with 80 (0.3%) pupils, 96 German with 9,461 (31.5%) pupils, and 8 Magyar with 781 (2.6%) pupils.

There were also 1,170 special Industrial Schools with 127,759 pupils, and 162 Agricultural schools with 9,078 pupils.

4. In the entire Republic there are four *Universities*, — 3 Czech and Slovak and 1 German, — four *High Schools of Technical Studies* (Polytechnics) enjoying university rank, a *High School of Mines*, an *Academy of Arts*, and two recently founded *High Schools of Agricul-*

ture and Veterinary science. Besides these there are two *Law Academies* and three separate *faculties of Divinity*, all enjoying the rank of universities The following was the number of students at these schools on the 31<sup>st</sup> of December 1920:

Institution:	Number of Students:			No of teachers
	Total	Men	Women	
Karlova Universita (1348) in Prague (Czech)	8,770	7,208	1,562	381
German University in Prague	3,668	3,274	394	267
Masarykova Universita in Brno (1918) Czech	957	888	69	116
Komenského Universita in Bratislava (1919) Slovak	247	219	28	77
Academy of Arts, Prague	283	239	44	18
Czech Polytechnic, Prague	6,321	6,128	193	303
Czech Polytechnic, Brno	1,572	1,466	106	121
German Polytech., Prague	2,250	2,205	45	126
German Polytechnic, Brno	2,206	2,170	36	118
High School of Mines, Přeborn	432	432	—	43
High School of Agriculture and Forestry, Brno	447	445	2	12
High School of Veterinary Science, Brno	425	423	2	46
Faculties of Divinity of Prague, Olomouc	116	110	6	13 + 12
Czechoslovak Republic	28,155	25,655	2,500	1657

According to elected departments of study the situation was as follows: Of the total number of students there studied

law	5,747 stds (20.0%)	of whom 371 (6.5%) were women,
medicine	5,222 ; (18.5%)	" " 734 (14.5%) " "
pharmacy	259 " (0.9%)	" " 64 (24.7%) " "
philosop. and science	2,789 " (9.9%)	" " 897 (32.0%) " "

build. engineering	1,388	stds ( 4.8 <sup>o</sup> / <sub>o</sub> )	of whom	12 ( 0.9 <sup>o</sup> / <sub>o</sub> )	were women,
cultur. engineering	242	" ( 0.8 <sup>o</sup> / <sub>o</sub> )	all men,		
architecture etc.	589	" ( 2.0 <sup>o</sup> / <sub>o</sub> )	of whom	17 ( 2.9 <sup>o</sup> / <sub>o</sub> )	" "
machine & electr. eng.	4,008	" (14.0 <sup>o</sup> / <sub>o</sub> )	" "	12 ( 0.3 <sup>o</sup> / <sub>o</sub> )	" "
chemical engineering	2,161	" ( 7.6 <sup>o</sup> / <sub>o</sub> )	" "	94 ( 4.3 <sup>o</sup> / <sub>o</sub> )	" "
other applied science	1,081	" ( 3.8 <sup>o</sup> / <sub>o</sub> )	" "	161 (14.0 <sup>o</sup> / <sub>o</sub> )	" "
agricult. engineering	1,108	" ( 3.9 <sup>o</sup> / <sub>o</sub> )	" "	26 ( 2.3 <sup>o</sup> / <sub>o</sub> )	" "
forestry engineering	387	" ( 1.3 <sup>o</sup> / <sub>o</sub> )	all men,		
mining	535	" ( 1.9 <sup>o</sup> / <sub>o</sub> )	" "		
veterinary science	425	" ( 1.5 <sup>o</sup> / <sub>o</sub> )	" "	2 ( 0.5 <sup>o</sup> / <sub>o</sub> )	" "
commercial science	1,729	" ( 6.0 <sup>o</sup> / <sub>o</sub> )	" "	60 ( 3.5 <sup>o</sup> / <sub>o</sub> )	" "
fine arts	283	" ( 1.0 <sup>o</sup> / <sub>o</sub> )	" "	44 (15.5 <sup>o</sup> / <sub>o</sub> )	" "
divinity	202	" ( 0.7 <sup>o</sup> / <sub>o</sub> )	" "	6 ( 3.0 <sup>o</sup> / <sub>o</sub> )	" "

*Adult education.* Extended popular education began to be organised after 1870. Popular lectures were first arranged by the Sokol Unions, then by the Workmen's Gymnastic Associations. Later on, the political organisations turned their attention to the establishment of popular educational courses, such as those of the Social Democratic Workers' Academy, the National Socialist Workers' School and the Association of Young Agrarians. In 1908 the "Osvětový Svaz" (Cultural Union), a central organisation for popular education, was founded at Prague. In Slovakia and Carpathian Ruthenia the State is successfully taking in hand the education of adult illiterates. The law relating to the organisation of popular courses of civic education, passed in 1919, has supplied these endeavours with a substantial basis. District committees, brought into being by this law, have the organisation of these popular courses in their charge. Similar objects are pursued in the army. They are managed by an officer in each division, and several hours each week are devoted to civic education in camps and barracks. Reference should finally be made to the educational value of the work carried on by amateur theatrical societies.

*Public Libraries.* For many years the organisation of libraries was left in the hands of private societies. In 1910 more than half the municipalities in Bohemia possessed a library. The total number of these libraries was 4,585 (3,885 Czech, 700 German) comprising 1,600,000 volumes. The most extensive were those at Prague (100,000 volumes) and at Litomyšl (30,000 volumes).

In addition to these public libraries, there were in 1910 more than 2,000 libraries belonging to societies (1819 Czech, 320 German). There were 141 Czech reading rooms and 10 German, together with 32 belonging to private societies. The most important scientific libraries in Bohemia are those of the Prague University (500,000 volumes), of the Bohemian Museum (300,000 volumes) and the Monastery of Strahov (100,000



volumes). Other libraries which deserve special mention are those of Olomouc and Brno in Moravia, and of the University of Bratislava and the Slovak National Museum at Turčianský Svätý Martin in Slovakia. In 1919 the number of public libraries in Moravia and Silesia was 2187 (1896 Czech, 291 German) together with 1237 belonging to societies (833 Czech, 404 German). The development of libraries is especially important in Slovakia and Carpathian Ruthenia, where the educational standard of the masses will be raised mainly by reading.

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## CHAPTER V.

### SCIENCE AND PHILOSOPHY.

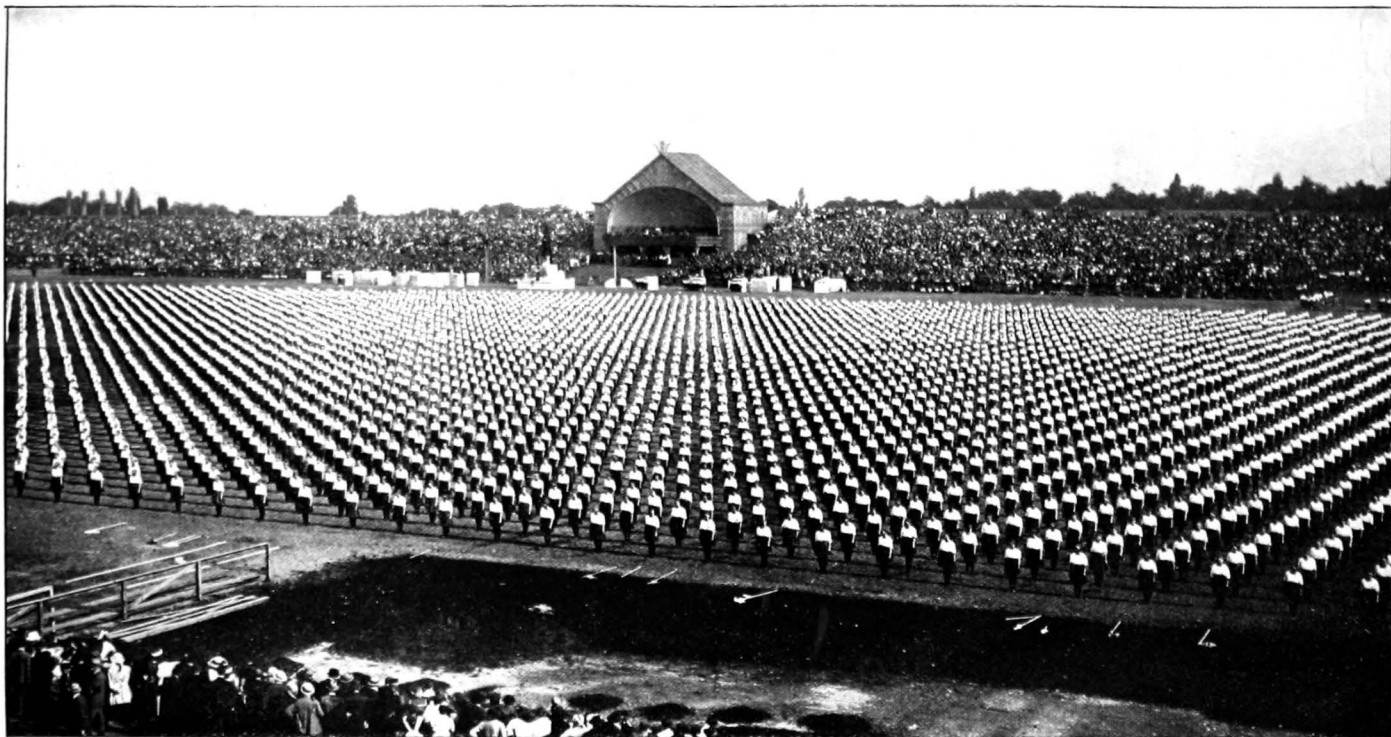
To the four main centres of intellectual activity in mediaeval Europe, Bologna, Avignon, Paris and Oxford, there was added a new centre which carried the torch of science and philosophy farther toward the East, when the University of Prague was founded in 1348 by the Emperor Charles. For the traditions of science were deeply rooted in the Czech nation from the past, when Bohemian students went to the western Universities and gained distinction by their ability and intellectual daring and alertness. It is known for instance, that from 1210 to 1215 a Czech, Master Damassus, was professor of canonical law at the University of Bologna; at the same university, in 1316 the rector of the Ultramontans was Czech. In 1355 Master Adalbertus Rancouis Ericinio (Vojtěch Ronhuv z Jezova) was elected rector of the University of Paris. Jan z Jenštejna, who later became archbishop of Prague, studied in Paris, at the faculty of Law, about 1372. About the same time, another Czech who later became famous as one of the predecessors of Hus, Master Mathew of Janov, took the oath of poverty at the Sorbonne to be exempt from all levies by the students' association; he studied in Paris from 1375 to 1381. Master Jerome of Prague, who with John Hus started religious reform in Bohemia, upheld in the Sorbonne one of his religio-philosophical theses against the Chancellor, Gerson; during the discussion Jerome of Prague uttered opinions so bold that he thought it wise to retire to England. He had occasion to continue the controversy later at his tragic trial in Constance, where Gerson was one of his judges. The relations between Bohemia and Oxford are shown by the extensive correspondence of John Hus with England; later, during the Thirty Years War, it will be remembered that the great pedagogue and philosopher, Comenius, was invited to come to England.

The founding of the University of Prague in 1348 was of course the real beginning of scientific and learned activities in the Czech lands. The University acquired its greatest fame during the period of the Reformation, when John Hus was its rector, and later, during the reign of Rudolph II, Prague became a centre of scientific studies, with which

the names of Kepler, Tycho Brahe, Jesenius, Father Mattioli, and others, were associated. In the history of Mathematics in this period we find the names of such Czechs as Mikuláš Sud, Tadeáš Hájek z Hájku, Petr Kodicillus; among the famous Czech physicians of the 15<sup>th</sup> and 16<sup>th</sup> centuries we find the names of John Šindel, Václav of Prachatice, Jan Kreyňa (about 1460), Jakub Kodicillus, Tadeáš Hájek (mentioned above), Thomas Husinecký, Adam Huber of Risenpach (died 1531), Adam Zalužanský, Jan Jesenský (Jessenius, a Slovak) who in 1600 performed for the first time in Prague a scientific autopsy on a human corpse (he was one of the 27 leaders of the revolution beheaded by the Habsburgs in 1621). In early geography and exploration we meet the following Czech names: Martin Kabátník, Křištof Harant z Polžic (also one of the 27), Zikmund z Pachova, Oldřich Prelát z Vlkanova, Václav Vratislav z Mitrovic.

After the battle of the White Mountain, with the loss of independence, the Czechs suffered almost an equal, if not greater, loss in their learning. Their intellectual leaders were either executed (as seen above in case of Jesenius and Harant z Polžic) or wasting in exile; very few of the latter had strength enough — like Jan Amos Comenius, the great paedagogue — to carry on their work abroad as exiles from their native country. There was a restoration of science and learning towards the middle of the 18<sup>th</sup> century, first at the University, then among the aristocracy and the rich middle classes who founded the “Royal Learned Society” and the Bohemian Museum, both still in existence. The men chiefly associated with this movement were the philologist Josef Dobrovsky and the naturalist Kašpar Šternberk. In contradistinction to their activities, which were of a purely scientific character, a new movement made itself felt about 1830. It represented the endeavours of a generation which attached special importance to the purely national side of learning, and which was concerned in preparing scientific works, in the Czech language. The chief representatives of this tendency were Josef Jungmann, author of a detailed Czech-German dictionary, and František Palacký, whose “History of the Czech Nation” remains the most remarkable historical work in Czech literature. Among these scholars unquestionably the most famous and best known abroad is Jan Evandělik Purkyně (1787—1869) who achieved great fame through his excellent and original physiological research on the human brain and nervous system. (It was at this period that the famous palaeontologist Joachim Barrande settled in Prague to devote himself to important studies in palaeontology and geology.) It was through the effort of men like Purkyně that in the second half of the 19<sup>th</sup> century the Czech scientific movement began to assume a modern basis. It received a fresh impetus in 1882 when the University of Prague (given over to

the Jesuits by the Habsburgs after the Battle of the White Mountain and Germanized during the Thirty Years War) was divided into two independent Universities, a Czech and a German; since then the Czech University again began to play an important part in the development of national culture. In 1891 an Academy of Arts and Sciences was founded in Prague, which entered actively upon the work of encouraging and publishing original scientific work, and of inaugurating scientific relations with other countries. In this new period there is hardly a branch of science and learning in which workers of profound talent and creative originality did not arise. In Mathematics (it may be mentioned that the philosopher and mathematician Bolzano was a professor of the University of Prague) the brothers Emil and Edward Weyr (analysis), Studnička (algebra and spherical trigonometry), professor Lerch (analysis) trained large numbers of excellent mathematicians whose work is centred around the Mathematical Journal (*Časopis Českých Matematiků*) of Prague; in astronomy and astrophysics the names of Gruss, Láska, and especially Karel Václav Zenger (died 1908) are well known abroad, the last through his researches on the sun and solar meteorology; it will be remembered that one of the most pathetic figures of the last Czechoslovak struggle for independence, General Štefánik, the Slovak, was an astronomer. Mathematical physics are represented more particularly by Augustin Seydler (died 1881), Vincenc Strouhal and František Koláček (died 1911) whose original research in electromagnetics, especially on the physics of the ether, are well known abroad. In chemistry the names of Brauner, Rayman and Wald deserve mention for their researches in general, organic and physical chemistry. Among the older naturalists the name of Antonín Frič and of Svatopluk Pressl must be mentioned: the first at the beginning of the 19<sup>th</sup> cent. made an exact classification of the birds of Europe, the second established the Czech nomenclature of the vegetable species. The most prominent of the younger is Vejdovský, the biologist, and Ladislav Čelakovský (died 1902) the botanist, whose name will always be known, not only through his remarkable research in anatomy and plant physiology, but particularly through the original methods by which he helped to show the true nature of a flower as made up of modified leaves. In medicine the Czechs were always abreast of the times. In recent years studies in histology were made by Janošik and Schobel; in pathological anatomy by Hlava, the founder of the institute of pathological anatomy bearing his name; in experimental pathology by Spina; neuropathology by Thomayer; in biochemistry by Horbaczewsky who achieved and made use of the synthesis of uric acid; in ophthalmics by Schobel and Deyl; in the other branches of medical science Jirus Eiselt and Maixner may be mentioned in general medicine, Chodounsky in toxicology, Kukula,



Sokol Congress, Prague 1920. Drill by 10,000 women.

Slavík and Albert in surgery, Srdínko and Pavlík in gynaecology, Kučera in bacteriology.

The remaining branches of science are equally well represented. Among them philology, especially that of the Slavonic languages (Gebauer) and comparative philology (Zubatý, Hujer, Baudiš), occupies a prominent position; while the influence of Professor Masaryk, the present president of the Republic, enhanced the development of the so-called "realistic" tendencies in philosophy and sociology.

Philosophy has very old traditions in Bohemia. In modern times there made itself felt the influence of German thought and German idealism, which is apparent particularly in Kollar; Palacký was under the influence of Kant; Augustin Smetana under that of Hegel and the post-Kantian speculation, while pedagogists like Lindner and Durdík and the aesthete Hostinský stood under the influence of Herbart. It was by Masaryk that the way was opened to the newer philosophical tendencies. As a counterpoise to German speculation and intellectualism Masaryk emphasized the study of English critical and sceptical philosophy, notably Hume, Mill and Spencer, and the French positivist Comte. Inspired by the Russian literary and philosophic realists he turned his attention to the study of sociology and religious philosophy, and enriched Czech philosophy by new ethical elements which manifest themselves in his works as a new realism or "humanitism". A whole school of philosophic thinkers Drtina, Radl, Foustka, Beneš — follow in Masaryk's footsteps. Krejčí, Masaryk's colleague from the University of Prague, also shows Masaryk's influence, but remains a dogmatic positivist.

In the history of *inventions* the Czechs have a considerable number to their credit. Among them probably the most important is one which has been the subject of much discussion. *The screw-propeller*, was first invented in 1821 by a son of a Czech customs official in Trieste, Ressel. Similarly the invention of the arc-light lamp is due to a Czech engineer Křižík. — Two humble Czech peasants, the cousins Veverka, one a blacksmith and the other a wheelwright, invented and made a new kind of plough, which to-day is known and used all over the world. Husník was the inventor of photo-zincography which has completely revolutionized the art of reproduction of photographs and drawings in typography.

## CHAPTER VI.

### LITERATURE.

From the XIII<sup>th</sup> century onward the Czechs have possessed a notable literature which already in the middle ages produced more works of literary value than any other Slavonic nation. The Czechs were the first Slav nation to possess a complete translation of the Scriptures in their native language, the study of the scriptures resulted in much original philosophical thought, and gave the Czechs a number of writers in this branch of literature. The most prominent of these in the XIV<sup>th</sup> century was Tomáš ze Štítného, one of the first precursors of the Reformation who made their appearance towards the end of the century, and whose line culminated in John Hus (burned at the stake in Constance 1415), Jerome of Prague, Peter Chelčický, and Jan Amos Komenský (Comenius, died in Amsterdam in 1671). Hus is known by his religious writings and his heroic end; it was he who created the Czech literary language as it is written to-day. Peter Chelčický, the peasant philosopher, probably the most original of the religious thinkers of his time, left a number of writings, in which he for the first time formulated the doctrine of non-resistance to evil; he is therefore known as the Tolstoy of the XV<sup>th</sup> century. His literary works, which are an expression of the innermost spirit of the Czech people, later formed the basis on which was founded the Union of the Bohemian Brethren, which gave us Comenius, and developed a very successful literary activity in the 16<sup>th</sup> century. Among other things this brotherhood produced a new translation of the scriptures into Czech, published under the name of "Kralická Bible", which constitutes one of the chief monuments of Czech literary activity of the period.

Older Czech literature reached the highest point of its development by the beginning of the 17<sup>th</sup> century. The loss of Czech independence after the Battle of the White Mountain in 1621 was accompanied by a corresponding decay of the Czech language and literature. As a result of the measures adopted by the Habsburgs and their agents, this process reached an advanced stage within a comparatively short period of time, and the achievement of the men whose names are associated with the

Czech revival at the end of the 18<sup>th</sup> century is therefore all the more surprising. Josef Dobrovský (1753—1829), an ex-Jesuit, accomplished an enormous amount of work in purely linguistic matters, and his endeavours were supplemented by Josef Jungmann (1773—1847), who not only compiled a detailed Czech dictionary, but also dealt with prosody and literary history, besides translating Chateaubriand's "Attala" and Milton's "Paradise Lost". Another important figure in the revival was P. J. Šafařík (1795—1861) whose most important contribution to the progress of the movement was a treatise on Slavonic Antiquities. Here too, the name of Fr. Palacký (1798—1875), the author of the famous "History of the Czech Nation", must be mentioned.

These were the pioneer scholars of the Czech revival, one of whose earliest poets was Jan Kollár (1793—1852), a Slovak, the author of "The Daughter of Sláva". This work consists of a series of several hundred sonnets, which form a curious medley of history, philology, and phantasy, expressing Kollár's romantic conceptions of an ideal Slavonic brotherhood.

The interest in folk-songs which had been aroused by the publication of Macpherson's "Ossian" in 1761 and Percy's "Reliques of Ancient Poetry" in 1765 had now begun to take effect among the Slavonic nations. Among the Czechs F. L. Čelakovský (1799—1852) published admirable "Echoes" of folk-songs, both Czech and Russian. He was followed at a later date by K. J. Erben (1811—1870) who in 1854 published a famous "Garland" of Czech national ballads.

The greatest poet of the revival period was K. H. Mácha (1810—1836), the author of "Máj" (1836), a lyrical epic, the delicate cadences of which are tinged with a romantic melancholy, characteristic of the period. Mácha's lyrical spirit had its satirical counterpart in Karel Havlíček (1821—1856). The Austrian authorities exiled him to Brixen on account of his political views, and while there he composed his "Tyrolese Elegies". He was the first great Czech publicist, and the general bent of his sympathies can be judged from the fact that he translated Voltaire and also Gogol's "Dead Souls".

By the middle of the 19<sup>th</sup> century the Czech literary revival had passed far beyond its rudimentary stages. One of the most significant landmarks in its development was the publication of "The Grandmother" by Božena Němcová (1820—1862) in the early fifties. This novel depicts the life of the Czech rural population, and its graphic style and skilful character-drawing have made it a standard work of Czech literature. The literature of this period, both in prose and verse, is rich in purely popular elements. Thus, Vítězslav Hálek (1835—1874) wrote such collections of poetry as "In the Midst of Nature", "Evening Songs" and "Tales from Our Village", which are distinguished by the delicacy and simplicity of their diction. The romantic spirit pervading Hálek's verses



is also found in the strongly racial poems of Adolf Heyduk (b. 1835). Here a reference should be made to the numerous Czech writers who have followed the tradition of popular and patriotic poetry. Among them may be mentioned J. V. Sládek (1845—1912), also noteworthy on account of his admirable translations from Shakespeare, and Eliška Krásnohorská (b. 1847), who translated from Pushkin, Mickiewicz and Byron, while Svatopluk Čech (1846—1908) is a typical example of the patriotic poet identifying national sufferings with social injustice. This applies in particular to his eloquent "Songs of a Slave", one of the most famous volumes of Czech poetry. Among more recent writers, Fr. S. Procházka (b. 1861) has displayed much vigour in his patriotic verses, and achieved an outstanding success in his "Hradčany Songs", inspired by his country's bygone splendour.

The greatest personality produced by the Czech literary movement which was gathering strength in the fifties of the 19<sup>th</sup> century was Jan Neruda (1834—1891), in verse a Czech Heine, and in prose a Czech Dickens. The effectiveness of his "Songs of the Cosmos", "Simple Themes" and "Ballads and Romances" lies in their spontaneous utterance, their plain and powerful sincerity. His most famous proseworks are probably the "Old Town Stories", in which he depicts with pathos and humour the lower middle-class life in Prague as he had known it in his childhood and youth.

The progress of the Czech novel may here be briefly indicated. The rustic story in the tradition of Božena Němcová's "Grandmother" was cultivated by a large number of regional authors. Thus, Karel V. Rais (b. 1859) is famous for his tales from Northern Bohemia, a district in which Antal Stašek (b. 1843) also laid the scenes of stories dealing with the religious sects still surviving there. Karel Klostermann (b. 1848) describes the lives of the glass and timber workers in the Bohemian Forest. Moravia, rich in interesting racial types, found its novelists in the brothers Mrštík, — Alois (b. 1861) and Vilém (1863—1912). The latter was an advocate of Russian realism, and he translated Tolstoi's "War and Peace." In collaboration with his brother Alois, he wrote a peasant novel entitled "A Year in the Village", a voluminous work of high literary value. It forms a rich and detailed picture of rustic scenes painted in vivid colours. There is a more idyllic tone in the village stories of Karolina Světlá (1830—1899), who is sometimes referred to as the Czech George Sand.

The social novel, generally with humanitarian purposes in view, found a large number of exponents in Czech literature. One of the earliest was Gustav Pflieger Moravský (1833—1875), who revealed a characteristic Czech sympathy for the lot of the workers. Similar aims were pursued with decreasingly romantic tendencies by M. Šimáček

(b. 1860), and by J. K. Šlejhar (1864—1914), whose stories from factory life are despondently realistic. There is less gloom in the provincial sketches by F. Herites (b. 1851), while the quaint features of Prague life form the subject of numerous volumes by Ignát Herrmann (b. 1854), who in many respects may be regarded as a successor to Neruda.

The Czech historical novel has also been extensively cultivated. V. Beneš Třebízský (1849—1884), a Catholic priest, dealt feelingly and in a popular style with the period of the Hussites and the Thirty Years' War. Zikmund Winter (b. 1846) displayed his profound knowledge of the 16th and 17th centuries in a series of masterly novels, the most noteworthy of which is perhaps "Master Kampanus", containing a vivid portrayal of the fateful events in 1621. Alois Jirásek (b. 1851) has treated the whole range of Bohemian history from the earliest times down to the epoch of the national revival, in an impressive array of novels.

There are, of course, several novelists who cannot conveniently be classified under a special heading. Thus, Jakub Arbes (1840—1916) was a prolific author with a bent for the grotesque, and a pronounced advocate of progressive ideas. F. X. Svoboda (b. 1860) has written novels the subject matter of which is derived from peasant life, from political conflicts and urban society.

In the year 1875 a young Czech poet of twenty-two who called himself Jaroslav Vrchlický issued a collection of verses entitled "From the Depths". From then onwards Vrchlický continued to produce lyric, epic and dramatic poems with the abounding vitality of a Balzac or a Victor Hugo. But in addition to over 70 volumes of his original works, which maintain a surprisingly high level of achievement, he was the author of numerous translations, of great intrinsic and historical value. They include the whole of Dante, Ariosto, Tasso, together with much from Shelley, Victor Hugo, — perhaps his favourite, — Camoens, Goethe, — especially "Faust", — Whitman, Calderon, Mickiewicz and numerous other English, French, Italian, German, Spanish, Portuguese, Scandinavian and Slavonic authors. By his original poems, which radiate a brilliant and glowing atmosphere, Vrchlický enriched the Czech language and introduced every variety of metrical form into Czech literature.

Vrchlický gathered round him a large group of poets who followed him in his leanings towards perfection of form, and also in his activities as a translator. Thus, Antonín Klášterský (b. 1866) completed the translation of Shakespeare begun by J. V. Sládek, and translated widely from English and American literature, besides publishing numerous volumes of original poetry. The poems of Jaromír Borecký (b. 1869) are distinguished by their exquisite delicacy and perfection of

form, no less than by the romantic melancholy which pervades them. Jaroslav Kvapil (b. 1868) followed Vrchlický's model more especially in his love-poems, and is also well-known as a dramatist. Other poets of this group are František Kvapil (b. 1855), a copious translator from the Polish, and Adolf Černý (b. 1864), to whom the Czechs owe a large number of excellent translations from various Slavonic poets, mainly Polish and Serbian.

The rallying-point of Vrchlický and his followers was the "Lumír", a literary periodical which was founded in the seventies. Among its most important contributors was Julius Zeyer (1841—1901), although the general tendencies of his work bear no direct relation to those of the "Lumír" group as a whole. Zeyer was aloof, isolated and exclusive. His poetry, chiefly epic in character, was sumptuously decorative in style, and its exotic subject-matter was derived from Scandinavian, Celtic, Spanish and Oriental legends, from the Charlemagne cycle, and from the early history of his native country. In "Jan Maria Plojhar", a semi-autobiographical novel, Zeyer has left a striking account of the vicissitudes which moulded his strange personality.

The progress of Czech poetry since the appearance of Vrchlický is associated in particular with the names of J. S. Machar (b. 1864), Antonín Sova (b. 1864) and Otakar Březina (b. 1868), whose achievements it would be difficult to find excelled by any other trio of modern European poets. Machar is spiritually akin to Havlíček and Neruda. His early poems are reminiscent of Heine, de Musset, Byron and Lermontov, but their romanticism was soon laid aside for realism, for social and political satire, and later still, for an epic series on a large scale under the general title of "The Consciousness of the Ages". This collection of poems, the majority of which are in blank verse, reveals Machar's keen dramatic and psychological faculties for depicting the most diverse characters. His chief prose-works are "Rome", "The Confession of a Literary Man" and "The Jail", the latter being a graphic account of the events connected with Machar's imprisonment by the Austrian government during the war.

Sova's personality is an almost complete contrast to that of Machar. He is a sensitive dreamer, a lyric poet, the subtlety of whose diction is admirably adapted to the impressionism and allegory which he handles with such consummate art. Sova has passed through a complex development, and much of his poetry bears witness to the intense emotional stress which produced it.

Březina, probably the greatest artistic intellect in modern Europe, has written comparatively little, but his five small volumes of poems form a quintessential record of unique spiritual development, from the melancholy broodings of the "Mystic Distances" (1895), to the dithyrambic

optimism of "The Hands" (1901). Březina's poetry, perplexingly rich in imagery, profound and often transcendental in subject-matter, probes into the mystery of life, not merely in its relation to earth, but to the whole universe. Březina's prose essays are as characteristic in style as his poems whose ideas they elaborate and amplify.

One other figure of the older generation of poets must here be mentioned. This is Petr Bezruč (b. 1867), an elusive personality, the author of a single volume of verses entitled "Silesian Songs", which intone a fierce requiem for the "Seventy Thousand", — the Czechs of Teschen and the surrounding district who are slowly being eliminated by the encroachments of the Germans and Poles.

The European ferment of new ideas embodying a revolt against the prevailing artistic and moral standards made a deep impression upon Czech literature in the course of the nineties. Its effects were concentrated especially in the columns of the "Modern Review" which was founded in 1894 by Arnošt Procházka (b. 1869) and Jiří Karásek ze Lvovic (b. 1871). Jiří Karásek ze Lvovic was, at the same time, one of the active exponents of these ideas both in prose and verse. His poems are polished and musical, morbid and perverse. In his novels he cultivates the unnatural and grotesque, somewhat in the manner of Huysmans. Another accomplished contributor to the "Modern Review" was Karel Hlaváček (1874—1898), whose poems contain passages of a curiously wistful charm, subtle and intangible as snatches of distant music.

It is here impossible to devote more than a few brief phrases to other adherents of these modern tendencies in literature. Viktor Dyk (b. 1877) has revealed his sceptical, ironical and turbulent disposition in verse, novels and plays. Stanislav K. Neumann (b. 1875), indulged somewhat ostentatiously in tirades against bourgeois society, but his nature poetry, pagan and primitive in tone, contains many admirable passages. Another poet of revolt is Fraňa Šrámek (b. 1877), one of the most promising among Czech writers of the younger generation. Besides his revolutionary verses, he has written delicate impressionistic poems suggestive of folk-song melodies. Šrámek is also the author of several plays, novels and short stories. Other talented poets are Emanuel Lešetický z Lešehradu (b. 1877), Karel Toman (b. 1877), who has written exquisitely melodious poems, not unworthy of Verlaine, Otakar Theer (1880—1918), whose premature death was a severe loss to Czech literature, Jan z Wojkowicz (b. 1880) and Otakar Fischer (b. 1883), also distinguished as a playwright and critic.

A few words on the Czech drama may here be added. The stage contributed very appreciably towards the progress of the Czech national in the early part of the 19<sup>th</sup> century. These beginnings, based largely on foreign models, are associated with such names as Václav Klicpera

(1792—1859) and his disciple J. K. Tyl (1808—1856). After an interval of romanticism, due to Shakespearean influences and exemplified in the plays of J. J. Kolár (1812—1890) the French tradition of Scribe was followed by E. Bozděch (1841—1889) and Ladislav Stroupežnický (1850—1892), the latter of whom introduced a more racial element in the form of village drama. On November 19<sup>th</sup> 1883 the Czech drama received a considerable impetus by the opening of the National Theatre in Prague. Its first manager was F. A. Šubert (1841—1915), a dramatist whose organising abilities ensured a repertoire of great variety and interest. The influence of Ibsen, together with the realism of the Russian and German stages, produced the modern social dramas of F. X. Svoboda, M. A. Šimáček, Jaroslav Hilbert (b. 1871) and Jaroslav Kvapil, who in his capacity as manager of the National Theatre, introduced technical improvements derived from a study of the best European stage methods. The more recent developments of the Czech theatre have led, on the one hand to the romantic treatment of national subjects, as in "Maryša" by the brothers Mrštík, and on the other, to the cultivation of historical drama. Noteworthy historical plays have been written by J. Karásek ze Lvovic, Viktor Dyk, Jaroslav Maria (b. 1870), Arnošt Dvořák (b. 1880) and J. Mahen (b. 1882).

It will be seen that modern Czech literature is rich and varied. There are numerous literary periodicals, and literary criticism attains a high standard. The progress made during recent years in the development of prose style and the cultivation of literary taste is largely due to the influence of such admirable essayists as F. X. Šalda (b. 1867), whose aesthetic ideas have been shaped by the study of Taine, Jules Lemaitre and other great French critics, F. V. Krejčí (b. 1867), Karel Sezima (b. 1876), who is also a novelist of distinction, and Dr. Arne Novák (b. 1880), whose writing is marked by scholarship, insight and polish.

### *Slovak Literature.*

Czech and Slovak are not two distinct languages, but two branches of the same language which have been subject to divergent influences. The language used in Slovak literature of the 17<sup>th</sup> and 18<sup>th</sup> centuries was identical with that spoken in Bohemia. Towards the end of the 18<sup>th</sup> century there were signs of separatist tendencies which were encouraged by the Catholic clergy. It was in the work of Antonín Bernolák (1762—1813) that these tendencies assumed a concrete form. Additional impetus to the use of Slovak as a literary language was given by the work of Ludevít Štur (1815—1856). His best followers were Janko Kral (1822—1874) and Jan Botto (1829—1881). The most remarkable writers of



Slovak costumes.

the following period were Sladkovič (1822—1872) and Kalinčák (1822 1871), whose work tended to be of a realistic character.

Closer touch with the Czechs in intellectual matters was resumed towards the end of the 19<sup>th</sup> century. One of the most prominent names connected with this movement is that of Jaroslav Vlček, whose history of Slovak literature is a standard work. The greatest poet that Slovakia has produced is Hviezdoslav (Pavel Orszagh, 1849—1921). The best Slovak prose writers are Svetozar Hurban-Vajanský (born 1847) who is also a distinguished lyric poet, and Martin Kukučín, famous for his realistic stories of village life. The literary renaissance of the present day is associated in particular with the names of two poets, Janko Jesenský and Ivan Krasko. .

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## CHAPTER VII.

### FINE ARTS.

*Painting.* The history of Czech painting begins with the illumination of manuscripts. In the 14<sup>th</sup> century, during the reign of Charles IV, a brotherhood was founded to unite all painters, sculptors, glass-makers, goldsmiths, both German and Czech. The famous castle of Karlstein, the Monastery of Emmaneus, the Rudolfinum of Prague bear witness to the teeming vitality of this newborn school, with which were associated Dutch and Italian influences under the Habsburgs. The brilliant progress of the reign of Rudolph II was interrupted by the terrible Thirty Years War, and a number of artists perished or were exiled. Between 1640 and 1674, Skreta was the most celebrated painter who revived artistic activity in Prague. Together with the religious decorator Brandl and the painter Reiner, he is the forerunner of modern Czech painting.

Skreta had reconstituted and presided over the brotherhood, which was suppressed by Joseph II. During this reign all art fell into decay.

In 1796, after a long interval, Prague tried to create a Society of Art Lovers, which consisted mostly of Germans and Italians. It seemed that every link was broken between the squandered and enshrouded past and all hope of future revival. With the awakening of national aspirations in the 19<sup>th</sup> century there simultaneously arose the desire for art which was truly Czechoslovak in expression. Artistic circles were formed for the study of folklore and popular art. Joseph Hellich, an estimable painter of religious and historical subjects, was president of the existing society founded in 1839. Lhota, Javůrek, Maixner, Francis Čermák, painters inspired by the Romantic school, combined with Hellich to arouse to a slight extent national interest in art. They were but imitators of the dull school of Dusseldorf with as little technical skill as Overbeck or Cornelius.

Joseph Manes (1820—1870) was the first to combine great art, fine character and creative power, which were needed to bring together the moral energy adequate for a revival.

Manes is almost unknown beyond the frontiers of his country. There is no more flagrant example of western indifference to the fine artists



of Central Europe. All artists should know his name and work, as one of the most important of the 19<sup>th</sup> century. Manes has painted admirable portraits, effective studies from the nude, curious landscapes and decorative compositions of rare originality, fancy and richness. To the horror of some critics he broke away completely from the conventional German school. He could not always completely detach himself from academic formulas, but his efforts in that direction were considerable. If he was not always individual, it was because he was led by his intelligence and his sense of beauty to delight in foreign art, and to retain his vision of it in his own studio. An artist who lives isolated, surrounded by hostile opinion, in a country where tradition is dead, who is hopeful of founding a school for reviving the art of a whole country, cannot, in spite of his genius, which Manes certainly possessed, construct a world of the own without taking counsel and reflecting the influence of other and more fortunate nations. Manes therefore, an untiring worker, an over-sensitive artist, an ardent theorist, fired by a fervent soul which wore away his body prematurely, often changed his style and methods, but his technique was always scrupulous and his knowledge profound. His happiest idea was to seek inspiration in the decorative art, the dress, the landscape, and the popular customs of Moravia. He created exquisite work, he discovered beauty, but most important of all, he laid logical foundations to the national school he dreamed of, he prepared a way on which all have since passed, a productive way where many original works have been and will continue to be created. This great man, who was a pioneer and a source of energy, is justly revered by all the artists of Prague, and they have given his name to their chief exhibition and society so that his exalted memory may be always the unseen guide of their efforts.

Some interesting artists arose between the time of Manes — whose style ranges from the classic and romantic to impressionism — and the painters of today. Ladislav Pinkas was a designer and a potter; he was the pupil of Couture. Chitussi was a landscape painter, who joined the school of the masters of Barbizon. Brožík, a skilful and brilliant historical painter, attained great success in France through his vast canvases, illustrating scenes from Bohemian history; he died at Paris at the age of about fifty. One may question the style and art of Brožík, but Czech artists should be grateful to him for his nationalist tendencies and for the prestige which he gained for his country in the Paris Salons.

Others of considerable reputation are Marold, an illustrator who was not only great in his art, but above all things an acute observer of life, catching its most delicate shades, and Mucha with his facile talent and pleasant decorative skill, who achieved a success that was disproportionate to his merit.

Mikuláš Aleš (1849—1913), an artist of a very different calibre, very modest and unknown outside Bohemia, has left a lasting memory in the hearts of his compatriots. He has remained dear to all modern artists, as well as to the public, by his countless drawings of Czech popular life, which show tender and delicious fancy, very original inspiration, and a quality of humour which is to the taste only of the Czechs, but which therefore gives them unqualified satisfaction. He is also a follower of Manes, but his art is more epic, like that of Professor Ženíšek, who became a fresco painter.

A brother artist, Hynais, a pupil of Paul Baudry produced decorative work marked by elegance, knowledge and harmony. His art is shown in the opera at Vienna, and in collaboration with Aleš and Ženíšek at the National Theatre at Prague. Hynais was something of an aesthetic and educator, and his influence was valuable to the painters of the present school at Prague. The same is true of the two great artists Pirner and Hanuš Schwaiger.

This school which is united in the society "Manes" and whose galleries contain a fine series of pictures, includes some excellent painters. Max Švabinský, pupil of Pirner is a portrait painter and draws from the nude, a decorator, a masterly draughtsman and one of the five or six really great water colour artists of present-day Europe. Jan Preisler was a colourist of subtle poetic power, a symbolical decorator after the manner of Chavannes with a tumultuous imagination. Úprka conveys to us, by dazzling colour and an impressionist fervour, country scenes in Slovakia. The late Slaviček a landscape painter, pupil of Julius Mařák, evoked twilight scenes with a powerful melancholy. The painter Kupka after displaying his ability as a draughtsman, devoted himself to research in linear syntheses of colour. He lived in Paris, as did the painter and illustrator Louis Striml, the learned and fine engraver Francis Šimon, and the portrait and landscape artist Špillar. Hugo Boettinger and Victor Stretti are painters of society and fashion, and the latter has also made his reputation by etchings of churches and old streets in Prague. Kašpar is a very original illustrator, and a skilful engraver, Nejedlý a painter of fine compositions of telling colour, Stretti-Zamponi, an iconographer well-known in France and England, Knupfer, a marine painter with a gift of delicate, poetical harmony, and Liška, a painter of sombre pictures, should also be mentioned.

*Sculpture.* The originator of Czech sculpture was Petr Parler, architect of the Cathedral of St. Vitus in the 14<sup>th</sup> century, and sculptor as well as builder. The Renaissance produced another remarkable artist, Mathias Rejsek, who decorated the beautiful Powder Tower. In the 14<sup>th</sup> century, the style of the Jesuits dominated. Though defective and turgid when minutely examined, in its entirety it gives Prague an interesting

appearance, and produces an effect of picturesque ornament. In the 18<sup>th</sup> century, Ferdinand Brokoff lavishly decorated the town, notably the famous Bridge of Charles IV, one of the most beautiful in Europe in its superb domination of the wide and swift Vltava.

During the 19<sup>th</sup> century, Czech sculpture developed on similar lines to the painting. Václav Levý (1820—70) and Joseph Max were resourceful sculptors. Joseph Myslbek, born in 1848, one of the great sculptors of the world and patriarch of the art in Bohemia, chose subjects from the legends of his country. Schnirch modelled some beautiful busts of famous



Prague National Museum.

contemporaries, thus making a valuable iconography, analogous to the series of etchings by which Max Švabinský immortalised the features of Mánes, of Smetana, of Dvořák and of many artists and scholars. Sucharda, born in 1866 is the creator of a vigorous monument to the historian Palacký, and of a number of large well-known groups, Šaloun designed a monument of John Hus, recently set up at Prague. There is charm and gentle mysticism in the religious work of F. Bílek. Among the artists of today must be mentioned the young and striking Jan Štursa, the subtle Mařatka, pupil of Rodin, L. Beneš, one of the youngest, and Bohumil Kafka, who has often exhibited successfully in Paris and possesses great gifts and masterful energy.

In these brief notes reference must also be made to the delightful decorative art produced by the rustic fancies of the Slovaks. The Museum of Prague (ethnography and folklore) astonishes by the variety,

ingenuity, sureness of taste, originality of colouring and style shown in the potteries and embroideries which are the product of the intuitive genius of the Slovak people. Recent artists, inspired by Manes, have refreshed their imagination at this source, and for European artists a journey to Slovakia and Moravia would be wonderfully instructive, as well as a joy and a revelation to the eye, for these regions contain some of the now rare spots where archaic traditions have been preserved and where one may still delight in scenery, costumes, and dwellings of bold harmonies and almost oriental richness.

The review "Vlné Směry" which is edited with rare learning and taste has not failed to win a deservedly important place in the illustration and criticism of Czech art.

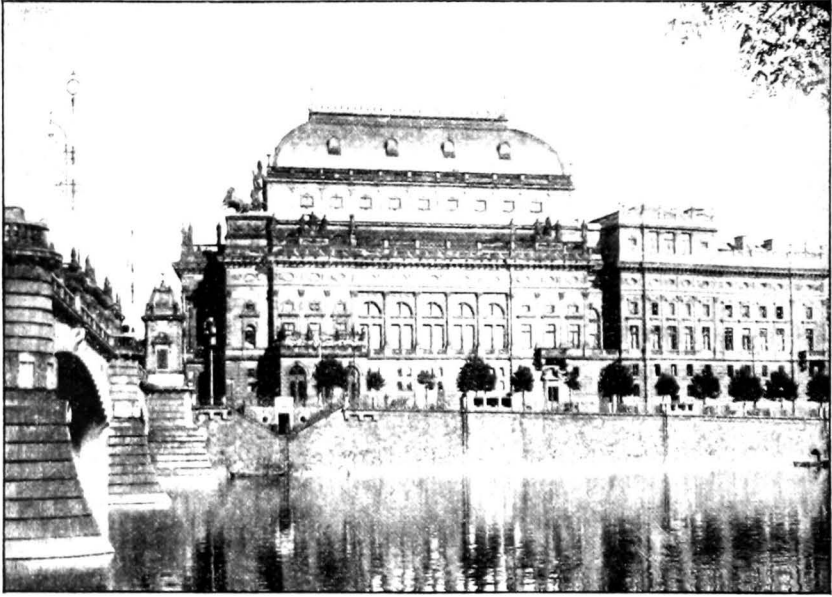
*Architecture.* Czech architecture was first Roman, then Gothic, as is shown by the Roman basilica of St. George within the Hradčany (Royal Castle), and the magnificent cathedral of St. Vitus, the work of Mathias of Arras and Peter Parler, in which the Gothic style is reminiscent of Beauvais and Marbonne. Then flamboyant Gothic rose high in favour under Vladislav Jagellon. St. Mary of Týn, St. Charles, the Town Hall, the towers of the Bridge of Charles IV are among the most beautiful examples of the art which has made Prague the Florence of Central Europe.

There followed an Italian period, when in the 16<sup>th</sup> century the Renaissance left its traces everywhere (Scamazzi, especially, worked a great deal in Prague). But these happy concessions to Tuscan decrees were annulled by the intrusion of the Jesuit style, which dominated the 14<sup>th</sup> and 18<sup>th</sup> centuries. This was the triumph of baroque architecture, somewhat modified by local taste. Kilian Ignace and Dienzenhofer built a number of palaces and hotels. With one exception the statues added to the Bridge of Charles IV are unworthy of the admirable towers. However, the baroque style in Prague, even if always distasteful in the churches, produces in the streets by means of its animated grouping and the abundance of ornament, a pleasant and luxurious impression which is not without a certain grandeur, and which is certainly far more attractive than the rectangular dulness of our modern cities. Entire districts built in one style, whatever the style may be, always have character. Considering how Gothic masterpieces dominate everything, how the fusion of Italian baroque and the splendour of the Middle Ages constantly meets the eye; considering too, the strange houses of Malá Strana (a riverside district), the flowering islets of the wide and noble Vltava, the green hills, and the beautiful gardens, it is small wonder that the city leaves the impression of being one of the most captivating in Europe.

The 19<sup>th</sup> century saw the transformation of Prague into a great modern town. This was not accomplished without sacrifice, but it is to

be hoped that the wonderful Jewish cemetery, with its profound emotional appeal, will not altogether disappear.

The National Theatre was the work of Zíték, helped by Schulz, who also built the Rudolphinum (Palace of Fine Arts) and the vast Royal Museum of Bohemia. The architect Mocker devoted himself to the restoration of Gothic buildings. Wiehl, on the other hand, constructed in the newer districts a number of dwellings in the neo-renaissance style. Of all these buildings, the National Theatre of Zíték and Schulz is first in



Prague National Theater.

the affections of the Czechs. It was built by public subscription during a wonderful burst of enthusiasm, and the best painters and sculptors thought it a privilege to decorate it.

An architect and decorator who has recently come to the fore is J. Kotera, Professor at the School of Fine Arts in Prague, who is propagating a "New Art", which is elegant, logical, tasteful and ingenious. It is natural that when young Bohemia was organising itself in isolation in German territory, the influence of Vienna and Munich should be strong. This fact gave the Germans, a chance to say that all attempts at ornamental art in Bohemia could spring only from the style of Munich as exemplified in the exhibitions of the "Secession". The truth is that this abominable style has been transformed, lightened and improved by the young Czechs so that now the Germans copy from it without

acknowledgment, as they used to copy from the English and Belgians. Modern Czech architecture has come under the happy influence of the Slavonic spirit, derived from the popular art of Moravia and Slovakia. Amongst those who have helped to foster this original and national style may be mentioned especially the architect Sarkovič.

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Slovak Interior.

## CHAPTER VIII.

### MUSIC AND THEATRE.

A general survey of the musical history of Bohemia from the tenth to the nineteenth century would reveal much of interest to enquiring students of the art; but the more pressing need of the moment is the enlightenment of the public concerning the actual conditions of musical life in the Republic of Czechoslovakia. I will, therefore, only refer to the past in order to remind the readers of three important facts in the cultural development of the Bohemians: *a)* when Charles IV. founded the University of Prague, as early as 1348, music formed part of the curriculum, and the choral services at the Cathedral of St. Vitus already astonished all the foreigners who visited the city; *b)* four centuries later, when in 1772 the English musical historian Burney traversed Bohemia from north to south, he found that in every town and village possessing an elementary school the children were taught music as well as reading and writing, and he chronicles his admiration of the system in Vol. II of his famous "Tours"; *c)* finally it is important to remember that the world at large reaped the benefit of this widespread musical cultivation when, during the eighteenth and early nineteenth centuries, the artistic energies of Bohemia were forced by adverse political and social conditions to find an outlet in other lands, and a host of efficient teachers and executants were thus scattered abroad; contributing not a little to a higher standard of excellence in the schools, concert-rooms and orchestras of Europe. These facts go to prove that the musical activity of the Czechs is not a growth of today, but rather the oldest and most developed manifestation of the art among all the Slavonic races.

It is generally assumed that the modern Czech school of composition dates from the return of Bedřich Smetana from Gothenburg to Prague, in the early sixties, and the subsequent erection, by public subscription, of the Národní Divadlo — the National Theatre. This is substantially true. But co-incident with the literary revival initiated some years previously by Kollár, Čelakovský, Mácha, and other writers, the voice of racial music had already made itself heard. Justice demands that such men as Josef Chmelenský (*A Garland of Czech Song*, 1838—39),



Tovačovský, the Slovak choirmaster in Vienna, and more especially Pavel Křížkovský (1820—1881) should be mentioned as pioneers. Křížkovský, a well equipped church musician, approached the folk music in no mere amateur spirit, and knowing well his craft, he left choral works in the popular style which still form part of the repertory of the finest singing societies in Czechoslovakia. In this case we may fairly apply this compound nomenclature, for he understood the spirit of the



Bedřich Smetana.

Moravian and Slovak songs as well as those of Western Bohemia. It is more than probable that Smetana owed to this composer his first realisation of the beauty and artistic possibilities of the songs of Slovakia, with their characteristic rhythms and lingering hold upon the old ecclesiastical modes; qualities which distinguish them from the less sequestered folk music of the Czechs. Křížkovský's choral master-pieces are the beautiful male voice chorus "Utoulná" (The drowned Maiden) and the Cantata "Two Stars from the East" (SS Cyril and Methodius).

The passion for choral singing grew apace and perpetually demanded fresh material to feed upon

In 1861, the famous society "Hlahol" (Tone) was founded in Prague and the movement has culminated in recent years by the formation of two remarkable, virtuoso organisations: The Society of Moravian Teachers, and the Society of Prague Teachers; male choirs which took London by storm when they sang at the Czechoslovak Festival at Queen's Hall, in May 1919.

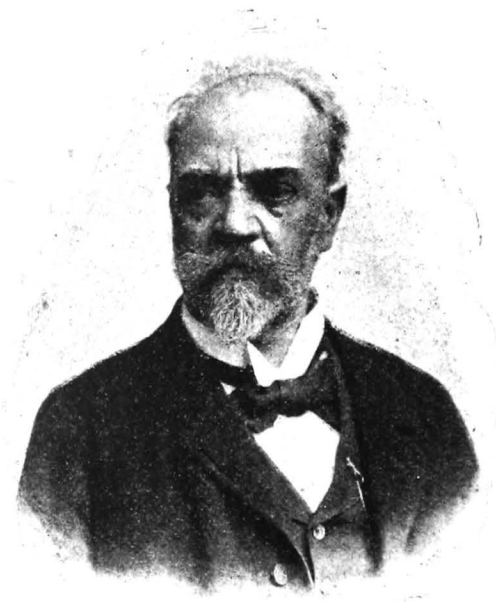
The growth of opera was slower than that of part-singing, for it had no abiding place. Unaccompanied choral music may flourish all the better for being vagrant; opera demands to be installed. Between the production of the first opera in the vernacular — Škroup's "Dráteník"

(The Tinker) — in 1826, and the first performance of Smetana's "Brani-boři v Čechách" (The Brandenburgers in Bohemia), in 1866, lies a barren period as far as dramatic music is concerned. But after Smetana had concentrated his great gifts upon the task of endowing his compatriots with a whole series of operas, each one showing a different facet of the national life and temperament; after he had once and for all secured the *democratic* popularity of opera by such works as "Dalibor". "The Bartered Bride" and "Hubička" (The Kiss), this form of art became indispensable to the social existence of the Czechs; not merely to a fashionable clique, but to the whole community. The Národní Divadlo now served as a focus for the aspirations of the race, while it radiated light and hope even in the darkest hours of national despondency. The Habsburgs might rule in name, but the Czechs has their own acknowledged, if uncrowned, potentate: Music queened it in undisputed divine right over the one-time subjects of Libusa, and Smetana was her first prime Minister.

Beautifully situated on the banks of Vltava, the National Theatre, the building and decorations of which employed the best native talent, means far more to the Czechoslovaks than just a well-organised place of diversion. Its magnetism has drawn and influenced almost every composer who has appeared in Bohemia during the last half century. During the twenty years when the late Karel Kovařovič was director in chief of the music, everything went with a wonderful swing, and a discipline worthy of a nation which had invented the Sokol system. Some complained that he was too stern a Janitor; but with the pullulation of second-rate musical works which is one of the perplexities of contemporary life, the Czechs may offer praises to Apollo for sending them a man of such fastidious discrimination. A quarter of a century ago Smetana was very imperfectly appreciated by the public, and Kovařovič made it his first task to produce the master's works with the utmost care and veneration. It was a revelation to the Czechs themselves.

After Smetana, followed Dvořák, with comic opera ("The Pig-headed Peasants" and "The Peasant a Rogue"); historical opera ("The Jacobin", "Dimitri" and "Armide"); and his poetical setting of the legend of The Rusalka which remains perhaps the favourite of all his works for the stage. Zdeněk Fibich (1850—1900) wrote several succesful operas on national subjects before he devoted himself to the development of melodrama, originally the invention of a Czech composer, Jiří Benda, in the eighteenth century. Fibich's great work in this form is the trilogy "Hippodamia", consisting of three dramas by the poet Vrchlický ("Pelop's Wooing", "The Reconciliation of Tantalus" and "Hippodamia's Death"), to which he has supplied a continuous symphonic commentary. The unwieldy form of the work is a bar to its frequent production, each

play demanding an evening to itself. Then there are two admirable operas by Kovařovic himself "Psohlavci" (The Peasants' Charter) and "Na starém Bělidle" (At the old Bleaching House). Josef B. Foerster's "Debora", "Eva" and "Jessica" (The Merchant of Venice) and his more recent opera, produced since the war, "The Invincibles". Ostrčil's "Vlasty Skon" (The Death of Vlasta), "Kunal's Eyes" and "Poupě" (The Bud) enjoy some reputation. Operas by Blodek, Rozkošný, Šebor and Bendl,



A. Dvořák.

though a little oldfashioned, have not altogether lost their popularity. Two operas by Vítězslav Novák "Zvíkovský rarášek" (The Imp of Zvíkov), and "A Night at Karlstein", are later additions to the repertory. There is now a new, and exceedingly interesting tendency in opera, for, during the last few years, that long oppressed and highly gifted race, the Slovaks, has come to the front in music and the other arts. A realistic peasant opera "Její Pastorkyňa" (Her Stepdaughter) by Leoš Janáček is certainly one of the strongest achievements in contempo-

rary music drama. Thus it will be seen that without drawing on other countries — which is however done from time to time — the Národní Divadlo boasts a native repertory hardly second in quality and variety to that of any operatic school in Europe. The only drawback of the National Theatre has been the fact that it had to shelter spoken drama as well as opera, and could not therefore accommodate the public which flocked to it on musical nights. But this condition of things will shortly be changed, for the former German Theatre may be taken over for native drama, not of course without suitable compensation which would enable the German section to erect a new building; but the matter is at present before the Courts.

Besides the Národní Divadlo there are often good operatic performances to be heard at the Municipal Theatre of the Král. Vinohrady. — The opera stands at the apex of musical life in Prague, but during

the season — from October to May — several series of excellent concerts are kept going. The Czech Philharmonic Society provides frequent Symphony Concerts at reasonable prices; there is also the Orchestral Association; and the Chamber Music Society which engages the famous Bohemian String Quartet, and the junior organisation, the Ševčík Quartet, is well supported by a permanent public. Numerous private recitals and artists concerts fill up the gaps left by these associations, so that the musical pilgrim to Prague will find his art enshrined in varied forms and localities. The comparative smallness of the town, the earlier hours of the concerts and the opera, the good average standard of the performances, make the pursuit of music in Prague a far less fatiguing and fortuitous business than it is in London. Czechoslovakia can boast some good conductors: Oskar Nedbal, Ostrčil, Talich, who is first conductor of the Philharmonic Society, and young Maixner, a promising talent at the Národní Divadlo. Of the violinists, Kubelík and Kocian are the leading favourites, and if there is no virtuoso pianist quite of the calibre of a Cortot, a Siloti, or a Lamond, the Czechs possess in Václav Štěpán and Jan Heřman, two sound and distinguished artists. Mme. Ema Destinová remains the star of Czech operatic art. There are however several lesser lights who fulfil their roles at the Národní Divadlo with the unflinching artistic conscientiousness that is indispensable to the maintenance of a satisfactory permanent Opera.

What are the Czechs, so enlightened as pedagogues, doing for musical education? The State Conservatoire of Prague has been completely reorganised since the Declaration of Independence and excessive Teutonic tendencies eliminated. The courses are laid out as follows:

I. *Instrumental Music*. Violin, Violoncello, Harp (7 years course), Doublebass, Wood-wind and brass (6 years course), Percussion (1 year); II. *Pianoforte* (7 years course); III. *Organ and Choir Direction* (4 years course); IV. *Composition and Conducting* (4 years course); VI. *Singing and Opera School* (5 years course). Courses with special masters at higher fees. Modifications are no doubt made for advanced foreign students whose fees are on a somewhat higher scale than those of native pupils. Even so, under present currency conditions, students who for any special reason desired to work abroad for a time could obtain a first-rate musical education at a moderate cost. (1,000 Kronen = about £ 4 per annum). The Rector of the Conservatoire and Professor of Composition is the distinguished composer Vítězslav Novák, a modernist of broad views. The Violin School boasts the services of Prof. Fr. Ondříček and Prof. Otakar Ševčík. Prof. Klička is head of the organ School, and Prof. K. Hoffmeister of the Pianoforte section. The Conservatoire now occupies picturesque premises which, until recently, formed part of the

old Emmaus Monastery, where Charles IV once restored for a time the Slavonic liturgy and the music of the Eastern Church.

Until Czechoslovakia became a free country, native drama and opera had few chances to show their vitality for they were ousted from the German State Theatres and Czech music in general fared Cinderella-fashion outside the capital. Therefore, even in the larger provincial towns such as Brno and Olomouc, it has been impossible to give national opera at anything like the same standard of excellence as in Prague. Now the improvement will doubtless be rapid. Brno has its old standing Philharmonic Society and the interesting choral concerts of the Society of Moravian Teachers. The best organisations of Prague visit the country towns from time to time and, however musically disposed is the centre visited, the public welcome these honoured guests; and no nonsense is talked about the eclipse or discouragement of local talent because the Bohemian Quarter, or the Philharmonic Orchestra, visits a provincial town. Local musical enthusiasm in the smaller towns and the country side solaces itself with choral singing. The Sokols, or Gymnastic Societies, aim at more than physical culture, and most of them have their choral unions. The farther east you travel in the Republic of Czechoslovakia, the richer are the stores of folk melody. In little towns in Moravia and Slovakia all classes meet to sing: the priest, the Protestant pastor, the shopkeepers, the doctor, the post-office clerk, the local "vet", foregather for this end. The Slovaks interpret in a literal fashion Shakespeare's diatribe against "the man that hath no music in his soul". I was asked the other day whether a certain Rev. Professor held a Chair of divinity or aesthetics. I replied that I did not know, but that it did not signify, for to a Slovak it was certainly one and the same thing. This at least I am sure is true: that you cannot separate a Slovak from his songs.

Despite the interruptions of war, and the urgent business of political and social reconstruction which followed, the creative activity of the Czechoslovaks is at present remarkable. To the chief composers of last century, Smetana, Dvořák and Fibich, have succeeded Vítězslav Novák and Suk. Both these musicians, pupils of Dvořák, have passed through a romantic tendency to more modern and freer methods of self-expression. Novák was for a time under the influence of the Slovak folk music, using its elements in somewhat the same clear and graphic way in which Rimsky-Korsakov employed the Russian folk material. He now sets things in a more subjective light. Suk is only known here as a member of the Bohemian Quartet and as the composer of chamber music and *The Scherzo Fantastique*. This is to do him scant justice. His later symphonic poems "Summer Legend" and "Maturity" should interest our conductors. At present the works of both these composers are too partially known in this country for us to form any just estimate of their place in art.

They are undoubtedly musical poets, but they lack the touch of sensationalism that is the passport to contemporary notoriety. They may be said to have set the standard in this respect to the many clever young composers who have already made a name at home, or who are just emerging from obscurity; for though there are isolated instances of extravagance and wilful pretension, the music of young Bohemia is not on the whole governed by an excessive formalism and shows few symptoms of that dry-rot of aesthetic coxcombry which threatens to consume the art of some highly sophisticated countries. Not in vain have the Sokols preached *Mens sana in corpore sano*. It is difficult to pick out a few conspicuous names: Vycpálek, Jaroslav Křička, Jan Kunc, Vomáčka, Karel, J. Tomášek, K. B. Jirák, Václav Štěpán are all doing good work, and some show distinct gifts or originality; Křička has a delightful sense of playful humour, Karel has the craftsmanship of a Max Regér, but more heart, Vycpálek is cultivating a bold but constructive choral technique.

I have written of a distinction between Czech and Slovak music. Roughly speaking, there is about the same difference in rhythm, melody and sentiment between Czech and Slovak as between Scottish and English folk music. The racial arts of the Slovaks have preserved more distinctive characteristics because more remote from the main currents of European culture. Richly endowed with the artistic sense, the people of Slovakia have to make up for the deficiencies of education resulting from long years of Magyar repression and contempt. They have already done wonders, and besides Janáček, whose opera I have already mentioned, they have in Jan Bella, Viliam Figuš-Bystrý, Schneider-Trnavský and Mikuláš Moyzes, interesting, if not great composers. Milan Lichard and the Rev. Alojz Kolísek are doing good work for the preservation of the folk tunes in appropriate and unvulgarised forms. Czech composers have not disdained to draw upon the characteristic elements of the Slovak folk songs; in return the Slovaks must draw upon the wider musical culture of the Czechs. There must be fusion and mutual emulation, so that the salient qualities of both races may unite to produce fine artistic results.

Altogether the musical situation in Czechoslovakia is pregnant with great possibilities and worthy of sympathetic attention. Music the source of consolation, and the irrepressible voice of the racial spirit through centuries of suffering, has now become the best and clearest medium of intercourse between regenerated Bohemia and the outer world.

## THEATRE.

At the period of the Czech renaissance the Theatre formed one of the most important factors in fostering national sentiment, and thus

helped largely in extending the influence of the Czech language. It gradually became the centre for propagating new ideas and spreading a knowledge of the world's drama. The dramatic literatures of England, France, Spain, Italy, Germany, Scandinavia and specially Russia have been performed upon the Czech stage in masterly translations. Among the most famous Czech actors and actresses now belonging to the past are Sklenářová-Malá, Mošna, Kvapilová and Vojan, while the most prominent living actress is Madam Hübnerová.

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High Tatra Mountains.



**THE CZECHOSLOVAK REPUBLIC**

**PART II.**

**ECONOMIC SURVEY**

PART II.  
ECONOMIC SURVEY.  
INTRODUCTORY CHAPTER.

The natural resources of Czechoslovakia make it one of the richest countries in Europe. It possesses many important industries and has an abundance of coal and other minerals. It is estimated that about 80 per cent of the mines and industrial enterprises of the former Austro-Hungarian Empire are now located within the boundaries of the Czechoslovak Republic. The country has also large supplies of timber and extensive tracts of agricultural land. When production can be re-established on a normal basis, Czechoslovakia should be independent of foreign countries for the bulk of its requirements of foodstuffs, except coffee, tea and other tropical products. The raw materials for the sugar, beer, spirit and glass industries are produced within the Republic itself, and there is also an adequate supply of coal and timber, but cotton, wool, iron and hides have to be imported from abroad. These will comprise the great bulk of the future import trade of Czechoslovakia.

It will thus be seen that the trade of Czechoslovakia is that of an industrial country importing chiefly raw materials and foodstuffs, and exporting finished manufactured goods. Before the war most of the products known on the world market as Austrian, came from the territory comprising the new Republic.

The central position of Czechoslovakia, situated as it is, in the very heart of Europe is sometimes regarded as unfavourable, although in certain respects it is an advantage which will certainly exercise a considerable influence on the future trade and economic development of the Republic. The river Elbe affords easy communication with Germany and the North Sea, the Danube with the countries of south-east Europe, and the basin of the river Oder in Silesia gives an outlet to Poland. Czechoslovakia is therefore an industrial country, situated in the very centre of Europe and surrounded on three sides by agricultural States (Poland, Hungary, Rumania). This gives the country a strategic position for trade with the markets of Eastern and Southern Europe, which are large purchasers of manufactured goods.

Of the natural resources of Czechoslovakia, the coal deposits and iron mines, in connection with excellent transport facilities, have combined to make Bohemia, Moravia and Silesia among the most active industrial districts of Europe. Sugar, glass and textiles may be considered as the leading industries of these provinces, but the china, iron, machinery, fancy-goods, beer, timber, spirit, leather, paper and furniture industries are also of great importance. The growing of raw materials for the sugar, beer, and spirit industries forms the most important branch of Bohemian and Moravian agriculture. In Slovakia, the fourth province of the Republic, cereals are the chief crops raised, but the other branches of agriculture as well as cattle-breeding are also pursued. The mining of iron, graphite, salt, semi-precious stones and many other minerals, together with the forest industry also contributes towards the wealth of the country in Slovakia as well as in the other provinces. Water-power, which especially in Slovakia offers almost unlimited resources, is also extensively utilised.

The following survey with statistics will serve to indicate the important part which the Republic will play in the economic readjustment and trade of the New Europe.

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## CHAPTER I.

### PUBLIC FINANCES.

#### THE FINANCIAL SITUATION OF THE CZECHOSLOVAK REPUBLIC.

The Czechoslovak Republic has all the natural conditions for the economic welfare of its people and therefore also for a favourable financial situation of the State. It is obvious that the effects of these natural conditions could not make themselves felt at the very beginning of the existence of the new State in its financial administration, considering the circumstances under which the State was created and what extraordinarily difficult tasks it had to face. To describe all the consequences of the war would be unnecessary. It will be sufficient to point out that the financial administration taken over by the Czechoslovak Republic was more or less in a deplorable condition and in Slovakia had to be built up from the very foundation. The State had to invest large sums in order to repair all the technical war damages and to restore the railways, post-office system, etc., to their normal condition. Post-war social work, remedies for unemployment, support for disabled soldiers, organisation of a national army, which, owing to the international situation, had to be kept still under arms, interest from debts connected with the currency reform, organisation of a diplomatic service from the very foundations — all of these imposed great burdens upon the Republic.

When the Austrian Monarchy collapsed, Czechoslovakia took over the current accounts and Treasury Bonds of the local branches of the Bank of Austria-Hungary. The total value was 10 milliard crowns, including bank notes to be withdrawn from circulation. In order to check note inflation, the Minister of Finance withdrew from circulation 2,800 million crowns, of which 2,134 millions was in notes, 413 millions in current accounts, and 233 millions in Treasury Bonds, at the rate of 1 per cent, by way of forced loan, which could not be used for the expenses of the State. The 30 branches of the Bank of Austria-Hungary, with their staffs and buildings, were taken over by the State. The Banking Department of the Finance Ministry was founded

to serve as a State Bank until such time as the economic situation should render possible the foundation of a joint-stock issue bank, which was already contemplated by the Act of April 14, 1920. The aim of the Republic was to reduce the circulation of notes uncovered by a metal reserve, and its efforts were highly appreciated by Mr. Whitman, an American member of the Winding-up Committee of the Bank of Austria-Hungary. The Act of April 10, 1919, adopted the Czechoslovak crown as the monetary unit. The same Act ordered all stamped notes to be exchanged for Czechoslovak crowns, and this operation was completed in 1920. The circulation of State notes was limited, and it was forbidden to lend either directly or indirectly to the State. Any notes which the Government may issue in excess of the limit fixed, shall be completely covered by a commercial guarantee, etc., by discounted bills, or by loans on the deposit of securities. The Banking Department has also absorbed the Foreign Bills Central Bureau, and publishes weekly balance sheets.

The balance sheets published on December 31, 1920, and at the close of 1919, appear below:

Assets.	1919	1920
	Million crowns.	
Assets in the Austro-Hungarian Bank for notes withdrawn, current accounts and Treasury		
Bonds taken over . . . . .	9,522	9,522
Bills of exchange . . . . .	80	2,016
Loans on securities . . . . .	502	2,323
Metal reserve and foreign securities . . . . .	86	858
Various assets . . . . .	73	339
	10,263	15,058
Liabilities.	1919	1920
	Million crowns.	
State Note circulation . . . . .	6,621	11,289
Notes retained . . . . .	2,124	1,941
Current accounts . . . . .	1,127	1,444
Levy on capital . . . . .	—	158
Retention certificates not available . . . . .	—	127
Treasury Bonds . . . . .	284	227
Various . . . . .	107	172
	10,263	15,058

The situation has undergone a marked improvement in 1920, for whereas on December 31, 1919, the circulation of 6,621 million crowns was only covered to the extent of 10 per cent, on December 31, 1920, the circulation of 11,289 million crowns was covered as to 46 per cent. In order to pay off the debt, the National Assembly, by the Act of April 8, 1920, imposed a levy on capital, and a property increment tax. Payment of these two taxes might be made in the bonds issued by the Minister of Finance in exchange for the above-mentioned sum of 2,800 million crowns retained at the time of stamping and including bank notes, current account and Treasury Bonds. They might also be paid in notes in circulation, and the uncovered State notes would thus be reduced, and gradually be replaced by notes backed by a reserve.

The total Czechoslovak *debts* contracted in different currencies reduced according to the exchange of July 20, 1919, amount to 38,000,000,000 crowns. It should be noticed that wages, profits and income are, on an average, eight times higher than before the war, and this increase represents about the corresponding degree of devaluation of the Czechoslovak crown in comparison with the Swiss franc. The extent to which these debts are a burden must be considered with reference to the economic resources and conditions of the country. Here it may be mentioned that the late Austro-Hungarian Empire had a pre-war debt of about 20,000,000,000 gold crowns. If Austria had been divided before the war, the share of this debt which would have fallen to the Czechoslovak territories would have amounted to about 7,000,000,000 gold crowns, and this would have been as great a burden to the inhabitants, who had at that time low wages and income, as the present debts of 56,000,000,000 crowns, taking into consideration the eightfold increase in wages and profits now existing. Hence, it may be concluded that the debt of the Republic was augmented only as regards figures, but if value is taken into consideration — i. e., in proportion to income and wages — the new debts are by far smaller than the pre-war debts. The following is a summary statement of the national debt of the Czechoslovak Republic:

*I. Pre-war debt of the late Austro-Hungarian Empire.*

	Crowns	Swiss francs
The Czechoslovak Republic will probably have to take over . . . . .	6,500,000,000	804,455,445

*II. Austro-Hungarian war loans.*

	Crowns	Swiss francs
Property of Czechoslovak citizens which will be taken over by Republic at the rate of 75 per cent . . . . .	5,225,000,000	646,658,415

*III. Debts resulting from the currency reform.*

	Crowns	Swiss francs
a) Bank notes retained at the stamping as a 1 per cent Government loan . . . . .	2,131,761,000	263,831,807
b) State notes debt . . . . .	6,815,260,000	843,472,786
c) Cheques and treasury notes of the Austro-Hungarian Bank . . . . .	2,085,083,000	258,054,455
d) Gold, silver, and foreign exchange loan . . . . .	161,600,000	20,000,000
	11,193,704,000	1385,359,048

*IV. Internal unfunded national debt.*

	Crowns	Swiss francs
1. National liberty loan . . . . .	1,000,000,000	123,762,376
2. First current account loan with home banking institutions . . . . .	553,125,000	68,456,064
3. a) Second current account with Czech banks . . . . .	386,147,000	47,790,470
b) Current account loan with postal cheque office . . . . .	230,000,000	28,465,346
c) 4 per cent treasury notes . . . . .	1,048,054,000	129,709,653
4. a) 4½ per cent State premium bonds . . . . .	500,000,000	61,881,188
b) Current account loan with Czech banks . . . . .	215,506,000	26,671,535
Current account loan with postal cheque office . . . . .	225,000,000	27,846,534
c) Loan contracted with Czech banks covered by 6 per cent treasury notes . . . . .	500,000,000	61,881,188
	4,657,832,000	576,464,354

V. Foreign debt.

	Crowns	Swiss francs
1. Loans granted by United States :		
a) For Czechosl. army in Siberia, Dollars	5,000,000	27,500,000
b) For food supplies . . . . . "	57,744,750	317,596,125
c) For war material . . . . . "	14,942,546	82,184,003
" " " (2 <sup>nd</sup> item) "	4,293,836	23,616,098
2. Loan granted by England for food, soap, etc. . . . . Pounds sterling	336,116	7,495,387
3. Debts to France:		
a) For war material . . . . . Francs	110,000,000	51,643,192
" " " (2 <sup>nd</sup> item) Dollars	1,114,212	6,128,166
b) Czech legions in France . Francs	40,000,000	18,779,320
4. Debts to Italy:		
a) Czech Legions in Italy . . . Lire	180,000,000	60,402,684
b) Italian banks, raw material. . . "	26,000,000	8,724,832
	4,964,000,000	604,069,807

VI. Contribution to reparation fund.

	Crowns	Swiss francs
In accordance with Peace Treaty . . .	6,600,000,000	750,000,000
Grand total . . . . .	39,140,962,642	4,767,007,069

A marked *improvement of the finances* of the country is already manifest. Not only do revenue and expenditure balance in the Budget for 1921, but there is even a small surplus of 3,000,000 crowns. A credit of three milliards will be appropriated for building and other enterprises calculated to swell the revenue, such as railways, telegraphs and telephones, land improvement, and so forth. Public buildings, it is true, from which no profit can arise, are also included, but only to a relatively small amount. Generally speaking, it may be taken for granted that ordinary expenditure will be covered by ordinary revenue, and that any deficit will be in connection with undertakings capable of producing revenue and destined in the long run to wipe off the debt. The first three budgets of the new Republic show an expenditure of 8,000 million crowns, 11.300 million crowns, and 14,100 million crowns respectively,



with an appropriation fund of 17,200 million crowns. The expenditure in 1920, therefore, was 37 per cent, and in 1921, 64 per cent higher than in 1919, and the appropriation fund nearly 100 per cent higher than in the latter year. It will be seen by this that expenditure is growing steadily, as a result of the rise in prices and the low rate of the crown. It will still be necessary to import large quantities of foodstuffs and raw materials (cereals, cotton, wool, tobacco, etc), which will have to be paid for in foreign money, mostly in dollars. Expenditure, therefore, will grow with the rise of the dollar. Moreover, living and labour are constantly getting dearer, as in other European countries. Hence an increase in State expenditure amounting to one-third or even one-half per annum will not appear excessive if it is remembered that Czechoslovakia is a new State that has to build up its organisation, and to protect itself against its neighbours.

The rate of increase in the revenue, however, has been greater still. In 1919 the receipts amounted to 3,700 million crowns, in 1920 they rose to 7,800 million crowns, and in 1921 they reached a total of 14,100 million crowns. The revenue, therefore, in 1920 was 111 per cent higher than in 1919, while in 1921 it was 281 per cent higher than in 1919, and 81 per cent higher than in 1920, which shows a serious endeavour to balance the national account. The extreme care taken in preparing the estimates of revenue is shown by the fact that the salaries of civil servants (Government Departments, Post Office, Railway Service, etc.) might have been increased to the extent of 1,200 million crowns without affecting the budget balance, as the reserve profits from the export of sugar, alcohol and timber would have been sufficient for the purpose. This alone shows a sincere effort on the part of the Government to avoid further debts and any further issue of banknotes.

The following table illustrates the Czechoslovak State Budgets for 1919, 1920 and 1921\*):

<i>Revenue:</i>	1919	1920	1921
	In Czechoslovak crowns		
Direct taxes . . . . .	589,860,508	822,536,640	991,623,240
Indirect taxes . . . . .	1,072,105,546	2,720,826,250	5,198,139,637

\*) (Added while going through the press.) The following are the figures for the 1922 budget as submitted by the Czechoslovak government to Parliament in October 1921:

	Ordinary	Extraordinary	Total
Revenue . . . . .	17,290,600,130	1,593,609,414	18,884,209,544
Expenditure . . . . .	13,125,931,847	6,546,038,632	19,671,970,479

The budget thus shows a deficit of nearly 788 millions Czechoslovak crowns (about 4% of the total expenditure).

<i>Revenue:</i>	1919	1920	1921
	In Czechoslovak crowns		
Diverse sources of revenue . . . . .	2,047,879,738	4,207,407,883	7,940,156,673
Deficit . . . . .	4,905,500,000	2,665,405,147	
	8,615,345,792	10,416,175,920	14,129,919,550
<i>Expenditure:</i>	1919	1920	1921
	In Czechoslovak crowns		
Ordinary expenditure	2,343,482,611	4,775,391,823	4,572,742,611
Extraordinary "	5,860,120,662	4,502,772,629	8,183,115,847
State Debts . . . . .	411,742,519	1,158,011,468	1,085,879,669
Surplus . . . . .			288,181,425
	8,615,345,702	10,416,175,920	14,129,919,550

The chief sources of revenue are the following:

	1919	1920	1921
Real estate taxes . .	106,000,000	178,000,000	194,000,000
Personal taxes . . .	266,000,000	404,000,000	554,000,000
War tax and tax on property . . . . .	217,000,000	237,000,000	239,000,000
Customs . . . . .		171,000,000	192,000,000
Excise duties . . . .	360,000,000	664,000,000	2,079,000,000
Stamp duties . . . .		88,000,000	199,000,000
Tax on turnover . .		800,000,000	1,050,000,000
<i>State monopolies:</i>			
Tobacco . . . . .		779,000,000	1,380,000,000
Salt . . . . .		16,000,000	16,000,000
Saccharine . . . . .		12,000,000	40,000,000
Explosives . . . . .			30,000,000
State lotteries . . . .		42,000,000	52,000,000

In the budget for 1921 the chief item of expenditure is in connection with the Railway Department, a sum of 3,500 million crowns, but the returns are estimated at 3,669 million crowns, showing a small surplus which, however, is not sufficient to meet interest and redemption

charges on the railway debt, and which, moreover, will vanish with rising wages unless the tariffs are correspondingly increased. The Postal, Telegraph and Telephone service shows a clean sheet for 1921, revenue and expenditure both standing at 722 million crowns. National Defence is the second heaviest item of expenditure, amounting, as it does, to 2,369 million crowns. For a comparatively small country, with a population only of 14,000,000, the charge is high, but it is due solely to the insecurity of the present situation. Once peace is firmly re-established a considerable reduction of the army will be possible, with a proportionate curtailment of the expenditure. The payment of the National debt entails an annual charge of 1,086 million crowns, or only 8 per cent of the ordinary expenditure. This, however, is bound to rise, seeing that the interest on certain debts, such as the 750 million gold francs to the Allies towards the cost of emancipation of the country and the American credits, has not yet been paid, and will probably come into the reckoning in two years' time. Moreover, there is the share of the Austro-Hungarian debt that Czechoslovakia will be called upon to settle, but the amount of which has not yet been fixed by the Reparation Commission.

The most important sources of revenue, on the other hand, are the taxes on articles of consumption (the coal tax, for instance, which, however, has been lately reduced, brings in 1,200 million crowns), the tax on business turnovers, (1,052 million crowns), the tax on sugar (330 million crowns), and the tax on alcohol (426 million crowns), or a total, including minor taxes on articles of consumption and on transport, of nearly 3,350 million crowns. To this must be added the returns from the tobacco and salt monopolies (1,518 million crowns, less expenses 978 million crowns) and from Customs (192 million crowns), or a grand total, of 5,055 million crowns, while in direct taxation the yield is only a little over a milliard. There are also considerable profits accruing from the export of sugar, timber, alcohol and other goods, in which the State shares, and as every item of revenue has been carefully estimated, it is certain that the results will be materially better. This expectation has already been justified. According to official statistics the net proceeds from taxes, dues and tariffs in Bohemia, Moravia and Silesia for the first 10 months of 1920 amount to a total of 2,916,828,188, as compared with the budget estimate of 1,586,991,532 crowns. The actual revenue is thus 41 per cent higher than was estimated. The amount derived from direct taxes was 646,490,956 crowns, of which amount the income tax produced 210 million crowns. The tax on commodities (sugar,

spirits etc.) produced 819 millions, Government monopolies 85 millions and excise duties 226 millions. The tax levied on the sale of articles produced 252 million crowns. Czechoslovakia, therefore, after freeing herself from all the misery of the war, is steadily advancing towards the complete restoration of her national economy and her finances, and in view of the greatness of her natural resources a radical improvement may confidently be looked forward to within the near future.

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## CHAPTER II.

### NATURAL RESOURCES.

#### I. MINERAL WEALTH.

In the extent and variety of its mineral sources Czechoslovakia ranks among the first countries of Europe. With the exception of platinum it possesses every useful metal. Thus, besides gold and silver, it contains ores yielding iron, lead, tin, copper, uranium, bismuth, antimony, graphite, zinc, kaolin and precious stones in varying quantities. It is therefore natural that mining operations were carried on from quite early times. The operations accomplished in Bohemia and Moravia, especially those for the extraction of gold and silver, were famous during the Middle Ages, and the early mining regulations of Moravia, for instance those of Jihlava (from 1250), were adopted in other countries. The mines of Kutná Hora (Kuttenberg), Jilové (Eule), Jihlava (Iglau), Kremnice (Kremnitz) and Štávnice (Schemnitz) were also well-known at the same period. A decline then set in, and it was not until the end of the 18<sup>th</sup>, and the beginning of the 19<sup>th</sup> century, that mining industries were revived, largely owing to the great industrial development which was then taking place, and which, with its growing demand for fuel, led to the exploitation of the rich coal-fields of the country. Today the coal-mines yield the heaviest output of any mineral products.

As regards the facilities for the training of mining engineers, there is a School of Mines at Příbram, while there is a similar institution at Štávnice. The latter is the oldest school of this kind in the world.

*Coal.* Czechoslovakia has on its territory both coal and lignite deposits, and though its coal output is small in comparison with the great coal producing countries such as Great Britain and Germany, yet it forms a very important source of supply to home industries. The output of coal in Czechoslovakia and the distribution of the mines is shown by the following table:

	1913	1919	1920
	In metric tons		
<i>Coal:</i>			
Total output . . . . .	13,617,324	10,383,687	11,143,207
Principal coalfields:			
Ostrava-Karvín . . . . .	9,362,795	6,851,879	7,539,865
Kladno . . . . .	2,033,121	1,418,797	
Plzeň-Stříbro . . . . .	1,361,835	920,499	
Svatoňovice . . . . .	461,760	343,132	
Rosice . . . . .	505,947	320,498	
<i>Lignite:</i>			
Total output . . . . .	23,017,096	16,935,579	19,943,258
Principal coalfields:			
Most . . . . .	13,926,273	8,701,012	14,770,080
Falknov . . . . .	3,094,246	3,820,113	

As will be seen, the most important coal-fields are those of Ostrava-Karvín for coal, and the Most-Falknov district for lignite. In addition to coal and lignite, 1,662,000 tons of coke, and 234,200 tons of briquettes were produced. In 1920 395 mining undertakings were being worked, and 126,451 miners were employed in them. Of this total, 74,779 were in the coal area, and 51,672 in the lignite area. The average output of a miner per shift was as follows:

	1913	1919	1920
	In metric quintals		
Coal . . . . .	7.60	5.95	5.56
Lignite . . . . .	21.88	14.47	13.00

The present output of coal in Czechoslovakia shows a considerable decline. This decreased production is accounted for by the excessive working of the mines during the war, the shortage of rolling stock and the diminished working capacity of the miners owing to shorter hours etc. Moreover, in accordance with the terms of the Peace Treaty, Czechoslovakia has to furnish a certain proportion (142,000 tons a month) of its total production to Austria, and the resulting shortage of coal has seriously handicapped the industries of the country, the requirements of which could be satisfied only to a partial extent. The following percentages indicate the degree of restrictions in the allotment of coal to various industries:

	Coal	Lignite	Coke
Iron foundries and engineering industry . .	63 <sup>o</sup> / <sub>o</sub>	65 <sup>o</sup> / <sub>o</sub>	59 <sup>o</sup> / <sub>o</sub>
Gas works . . . . .	59 <sup>o</sup> / <sub>o</sub>	—	—
Electrical works . . . . .	57 <sup>o</sup> / <sub>o</sub>	66 <sup>o</sup> / <sub>o</sub>	—
Flour-mills . . . . .	38 <sup>o</sup> / <sub>o</sub>	44 <sup>o</sup> / <sub>o</sub>	—
Glass works . . . . .	54 <sup>o</sup> / <sub>o</sub>	53 <sup>o</sup> / <sub>o</sub>	—
Porcelain industry . . . . .	57 <sup>o</sup> / <sub>o</sub>	30 <sup>o</sup> / <sub>o</sub>	—
Building industry . . . . .	47 <sup>o</sup> / <sub>o</sub>	78 <sup>o</sup> / <sub>o</sub>	—
Textile industry . . . . .	39 <sup>o</sup> / <sub>o</sub>	52 <sup>o</sup> / <sub>o</sub>	—
Chemical industry . . . . .	25 <sup>o</sup> / <sub>o</sub>	54 <sup>o</sup> / <sub>o</sub>	—
Distilleries . . . . .	19 <sup>o</sup> / <sub>o</sub>	48 <sup>o</sup> / <sub>o</sub>	—
Pottery industry . . . . .	28 <sup>o</sup> / <sub>o</sub>	28 <sup>o</sup> / <sub>o</sub>	—
Brick works . . . . .	25 <sup>o</sup> / <sub>o</sub>	46 <sup>o</sup> / <sub>o</sub>	—
Cement factories . . . . .	28 <sup>o</sup> / <sub>o</sub>	42 <sup>o</sup> / <sub>o</sub>	—
Paper mills . . . . .	28 <sup>o</sup> / <sub>o</sub>	59 <sup>o</sup> / <sub>o</sub>	—

The supply of coal for household purposes was calculated on a minimum basis of 11.85 kilogrammes per head per month, and in this case the percentages assigned were 68 per cent of coal and 88 per cent of lignite respectively.

Exports of coal, lignite, coke and briquettes from Czechoslovakia during 1920:

To:	Coal	Lignite (in metric tons)	Coke	Briquettes
Austria . . . . .	521,891	1,058,725	142,250	11,864
Poland . . . . .	570,059	—	116,829	—
Germany . . . . .	28,562	2,368,102	—	40,294
Jugoslavia . . . . .	7,167	—	4,161	—
Hungary . . . . .	4,642	—	4,619	—
Rumania . . . . .	802	—	4,205	—
Other countries . . . . .	1,000	24	1,586	—
Total exports . . . . .	1,134,123	3,426,851	273,650	52,158
Net output . . . . .	9,156,454	17,573,329	1,414,870	278,869

The exports of lignite to Germany are made on the basis of exchange for Upper Silesia high grade coal, the imports of which were as follows:

From	Coal	Coke
	In tons	
Upper Silesia . . . . .	799,372	51,853
Lower Silesia . . . . .	118,814	73,454
Total . . .	918,186	125,307

The largest coal mining companies in Czechoslovakia are the following:

	Output (metric tons)	No. of miners employed
<i>Coal:</i>		
Vitkovice Iron & Mining Co. . . . .	1,770,000	25,000
The Mining & Iron Co. . . . .	1,900,000	12,000
The Prague Iron Co. . . . .	1,300,000	15,000
The Northern Railway Co. . . . .	1,500,000	8,000
The West Bohemian Mining Co. . . . .	1,200,000	6,000
The Orlova-Lazy Co. . . . .	1,200,000	5,000
The Larisch-Monich Co. . . . .	1,100,000	5,000
<i>Lignite:</i>		
Brux Coal Mining Company . . . . .	4,500,000	7,000
Bruch Coal Works . . . . .	2,600,000	5,000
North Bohemian Coal Works . . . . .	2,400,000	3,000
State Mining Works . . . . .	1,600,000	2,000
Dux-Bodenbach Co. . . . .	1,200,000	2,000

A law of February 25<sup>th</sup> 1920 provides for the establishment of *Councils for Mines and Mining Areas*, in which the miners have their representatives. These Councils have certain rights of joint action in matters relating to the physical welfare of the miners, safety of the mines, co-operation in settlements of disputes on wages, conditions of employment, etc. The Council has also the right of scrutinising the balance-sheets of the undertaking. Disputes which may arise between the miners and the mine-owners have to be settled by the Mining Arbitration Courts.

*The Coal Board*, recently created, will deal with all questions relating to coal production, consumption and trade, and its duties will include also the arrangement of measures against unemployment in the mines producing inferior grades of coal, the demand for which is naturally smaller. The most urgent questions are increased output, methods for



disposing of the inferior grades of coal, import and export, revision of existing prices and duties, nationalisation of the mines etc.

The annual output of about 2,000,000 metric tons of *iron-ore* is equally distributed between Bohemia and Slovakia. The mines are located chiefly at Nučice, in the Ore Mountains (Bohemia) and at Dobšina, Spišská Nová Ves, Rožnava and Rimavská Sobota in Slovakia. In 1912 the output in Slovakia was about 11 million metric quintals, that in Bohemia 10 million metric quintals.



High Tatra-Štrba.

The principal *naphtha wells* are situated near Gbely on the Hodonin-Bratislava railway line, where heavy oils, used as a lubricant, are found. At Ratiškovice, near Hodonin, as well as at Bohuslavice on the Vlára, it has been ascertained that there are supplies of light oils deeper down. As the wells in Gbely are not very deep, preparations are now being made for borings to greater depths. In 1918, when 410 workmen were employed, the yield from the Gbely wells amounted to 8,325 metric tons as compared with 1,668 tons in 1914. A further increase was announced for 1920, when the output amounted to 10,000 tons. The net earnings for 1919 are estimated at 8 million crowns. The wells in Gbely are valued at 100 million crowns, and they are the property of the State. — Should the research work of the Government now in progress both

in Moravia, Slovakia and Carpathian Ruthenia prove successful, Czechoslovakia will be independent of foreign countries as far as petroleum is concerned.

In Czechoslovakia there are State *salt mines* at Solnohrad near Prešov in Slovakia, which produced 50,000 quintals of salt per year. In the current year this yield will be increased to 70,000 quintals by completely utilising the resources of the mines. New salt works are also being installed in the same district, and it is estimated that they will produce 70,000 quintals per year, so that the total annual output of salt will be 14,000 tons. The State salt mines at Aknaslatina in Carpathian Ruthenia yield 400 tons per day, or 120,000 tons per year. By improving the working conditions, it will be possible to increase the output, with the result that Czechoslovakia will be able to satisfy its requirements by its own resources. As regards the installation of new salt works, investigations will be made in the districts of Zemplin and Marmaroš, which contain considerable supplies of salt. The extraction of salt and mineral oils is a State monopoly.

As regards precious and rare metals, Bohemia had a monopoly under the former regime, producing all the Austrian gold, silver, wolfram (tungsten), uranium and radium.

Of the *precious stones*, the Bohemian garnets, which are found near Třebenice, and the opals from Slovakia, are well-known in the whole world.

*Gold* is found in the districts of Kremnice and Štávnice in Slovakia, and at Roudné and Libčice near Nový Knín in Bohemia. In 1910 the only gold mine working in Austria was at Roudné near Prague. This produced, on an average, 30,000 tons of ore (250 kg gold) valued at about 700,000 crowns.

*Silver* is obtained at Příbram and Štávnice. During 1912 the output at Příbram was 21,793 tons of ore valued at 4,076,705 crowns. The annual production of pure silver is about 50,000 kg.

*Radium*. Czechoslovakia possesses the richest radium mines in the world. These are situated at Jáchymov, north of Karlovy Vary (Carlsbad). In 1912 the output was 10.89 tons of ore. (About two grammes of pure radium annually.)

*Wolfram (tungsten)* is found at Schoenfeld, southwest of Karlovy Vary (Carlsbad). The output in 1912 was 65.9 tons, valued at 172,667 crowns.

*Antimony* is obtained at Milešov near Selčan, and at Magurka near Ďumbir in Slovakia.

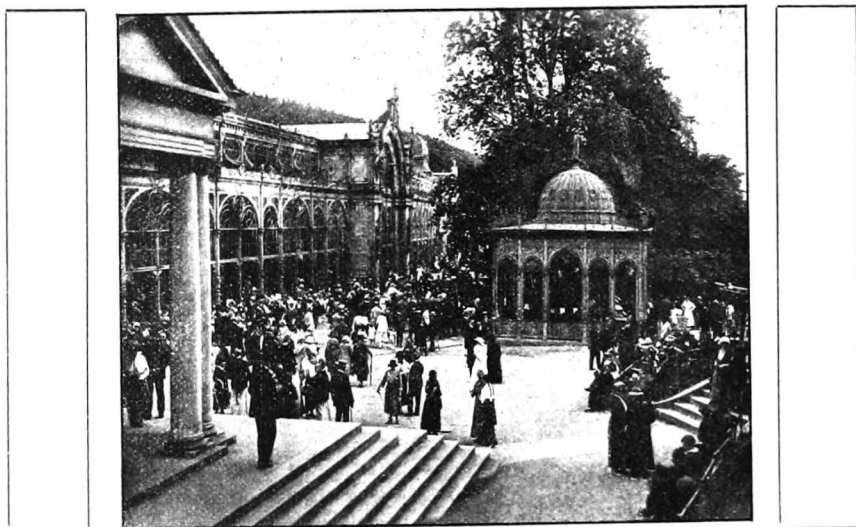
In 1912 Bohemia produced the whole of the Austrian output of *tin* i. e. 605 tons, which is found in the Ore Mountains and in the Slavkov-Schoenfeld district near Karlovy Vary.

*Copper* is extracted chiefly by the Copper Extraction Institute and Electrolytic Agency of the Iron Works at Vitkovice, which in 1918 produced 3,900 kilogrammes of pure copper.

The annual output of *lead* was valued at 2,588,987 crowns. It is found at Březové Hory near Příbram, and at Bohutín.

As regards *graphite*, the output of Czechoslovakia is second only to that of Great Britain. The largest mines are those of Horní Planá, Krumlov, Koldštýn, Staré Město, near Olešnice and Tisovec. The output in 1913 amounted to 31,200 tons.

*Magnesite* for the manufacture of fireproof materials is found in the Gemer area (Hnúšť), near Krumlov, Ledec and near Oslavany. In Slovakia alone, about 40,000 tons are produced.



Mariánské Lázně (Marienbad).

*Iron pyrites* is associated with the ores in nearly all the deposits, and is usually reckoned among them, although no metal is obtained from it. In the chemical industry it is used largely for the manufacture of sulphuric acid. It is found in the Spiš and Smolník district in Slovakia, and the Falknov district in Bohemia.

*Kaolin*, which is found near Karlovy Vary, is an excellent raw material for the porcelain industry which has already been carried on here on a large scale for about a hundred years. The kaolin of the Plzeň district (Horní Břiza, Dobřansko) is used chiefly in the pottery industry, as well as in the manufacture of paper and dye-stuffs. During 1920, 181,272 tons were exported to the following countries: Austria 15,135 tons, Germany 138,914 tons, Hungary 16,153 tons, Switzerland 3,930 tons, France 2,135 tons etc.

*Quartz* for the well-known Bohemian glass industry is obtained in the mountainous region of the Šumava (Bohemian Forest), and in other places.

*Granite* of excellent quality is exported to a large extent from the south of Bohemia on the Elbe and the Vltava.

*Limestone* is produced in 165 large works employing 4,000 workmen. The total output is 1,000,000 tons, 8,000 tons of which are exported.

The supply of *cement* is obtained from 13 cement works with 5,000 workmen, and an output of 30,000 tons. There are about 3,500 brick-kilns with 40,000 workmen to satisfy home requirements.

## 2. HEALTH RESORTS.

The Czechoslovak Republic occupies an important place in Europe on account of its numerous curative and thermal springs, of which there are over 170. In Bohemia alone there are 37 watering places at which the number of visitors in 1912 was 154,967, while the 11 health resorts in Moravia attracted 8,934 visitors.



Karlovy Vary (Carlsbad).

In the same year the number of visitors to the leading watering-places was as follows: Karlovy Vary (Carlsbad) 68,269, Mariánské Lázně (Marienbad) 34,509, Františkovy Lázně (Franzensbad) 15,375, Teplice-Šanov 7,776. All the above health resorts are well provided with hotels and other arrangements for the comfort of visitors. The most famous in Bohemia are the sulphurous, chloritic, bi-carbonated and hyperthermal

waters of Karlovy Vary (Carlsbad); the cold gaseous mineral waters of Mariánské Lázně (Marienbad); the cold gaseous waters of Františkovy Lázně (Franzensbad); the alkaline and ferruginous waters of Poděbrady; the radio-active spring at Jáchymov (Jachimstal); the hyperthermal springs at Teplice (Teplitz-Schonau); the climatic health resort of Jánské Lázně (Johannisbad). In Moravia the most important springs are found at Luhačovice, where the waters are of a cold gaseous variety containing bi-carbonates, chlorine and sodium. In Silesia there are similar establishments at Priesnitz and Graefenberg. There are several health resorts in Slovakia. Thus, at Píšťany (Postyen) there are hot sulphur springs. At Vyhne and Šliač there are ferruginous hyperthermal springs. The chief health resorts in the Tatras, which are especially attractive on account of the beautiful scenery, are Tatranská Lomnica, Štrbské Pleso and Smokovec (Tatrafured).

### 3. WATER-POWER.

On July 22 1919 the Czechoslovak National Assembly passed an Electricity Bill, the purpose of which is the systematic utilisation of water-power and the electrification of the country with the financial assistance of the State.

The electrical Power stations in Czechoslovakia are very extensive and specially in recent years the shortage of coal and petroleum caused a considerable increase in the employment of electricity as a motive-power both for lighting and domestic services.

The amount of electrical energy now required annually, not including the needs of the railways, is about 2·5 milliard kilowatt hours. This demand is met by 345 electrical concerns, which are intended for the public supply, while in addition a considerable number of power stations supply private needs.

In future the energy is to be supplied by a uniform system of 22,000 and 100,000 volts, the current being generated in the coal districts by nine large thermo-electric power stations of which the three largest will be set up at Duchcov (Dux) (Bohemia), Moravská Ostrava (Moravia) and in Slovakia. In addition, water-power stations will be installed on all the rivers in the Republic.

According to statistics relating to Bohemia and Moravia, the chief provinces of the new State, the water-power is estimated as follows:

<i>In Bohemia:</i>	Million kilowatt hours	<i>In Moravia:</i>	Million kilowatt hours
Labe (Elbe) above:		Morava (March) . . . . .	2
" " Hradec Králové	17	Švarcava . . . . .	22

<i>In Bohemia:</i>	Million kilowatt hours	<i>In Moravia:</i>	Million kilowatt hours
Labe (Elbe) Hradec Králové		Jihlava . . . . .	35
" " Mělník . . . . .	87	Dyje . . . . .	103
" " below Mělník . . . . .	92		
" " tributaries . . . . .	76		
Vltava (Moldau) above Čes.			
Budějovice . . . . .	156		
" Čes. Budějovice			
Prague . . . . .	450		
" Prague-Mělník . . . . .	106		
" tributaries . . . . .	674		
Total . . . . .	1658	Total . . . . .	162

To this, however, Silesia and Slovakia must be added. In Slovakia especially, the water-power resources are almost unlimited. If the capacity of water-power is estimated at only 800,000 h. p. annually, an annual saving of 6 million tons of coal will be effected, which is about 20 per cent of the entire coal output.

In accordance with the Bill, the State will take over the utilisation of water-power and construction of water-power plants, while the construction of electric conduits and thermo-electric plants would be left to companies, at least 60 per cent of whose capital would be held by the State and local authorities, the remainder by private shareholders. The State would have to secure a permanent interest in the management of these companies. For 1919, 8 million crowns were appropriated for this purpose and included in the State Budget.

In accordance with the new law the following concerns have become privileged companies in which the State is taking shares:

The Central Bohemian Electrical Works, Prague-Karlín; The Electrical Union of the central Elbe Area, Kolín; The West Bohemian Electrical Union, Plzeň, and the Electrical Union of the Northern Šumava Area, Tachov, as well as the recently established South Bohemian Electrical Works, České Budějovice; The Moravian-Silesian Electrical Works, Moravská Ostrava; The Electrical Works of Northern Moravia Sternberg; The Electrical Works for Central Slovakia, Báňská Bystrice and "Iskra", Holič. These concerns, together with those which are in course of formation, are to carry out the electrification of the whole country with the help of the State and local authorities.

The estimated cost of the complete electrification system, according to published figures, will amount to two milliard Czechoslovak crowns for the construction of hydro-electric plants, and  $\frac{1}{2}$  milliard crowns for electric plants driven by steam-power. The primary electric conduit would cost about  $\frac{1}{2}$  milliard crowns, the secondary conduit the same amount.

The National Assembly assigned 75 million crowns towards the cost of starting this systematic electrification. This sum is to be distributed by instalments over the Budgets from 1919 to 1928. The money will be placed at the disposal of the Ministry of Public Works for the erection of water-power electric plants, and for the financial co-operation of the State in any electrical undertakings which may form a substantial part of the electrical system.

The building of the thermo-electric power-stations and the system of mains is spread over twenty years, the construction of the water-power stations over 50 years. A Government Commission has been established to deal with all matters concerning electrification.

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Tower on Charles Bridge.



## CHAPTER III.

### AGRICULTURE AND FORESTRY.

#### 1. AGRICULTURE.

Agriculture is highly developed in the Czechoslovak Republic, which in this respect compares most favourably with other European States. There are special branches of agricultural industry in which Czechoslovakia is pre-eminent. Thus it occupies the foremost place in the sugar industry, while in the manufacture of alcoholic liquors, malt, etc. it is well to the fore among European States. The supply of these commodities depends, of course, upon a high standard of agriculture, such as exists along the valley of the river Elbe (Labe) in Bohemia, in the Haná region of Moravia and in the south of Slovakia, which contains some of the best and most fertile soil in Europe. Agriculture is thus able to satisfy the greater part of home requirements, and in fact many products such as oats, barley and hops can be exported. It must not be forgotten, however, that during the five years of the war, agriculture necessarily passed through a critical period, and the total result of recent harvests may not therefore compare favourably with those of the pre-war seasons.

The shortage of labour, loss of cattle through requisitioning, and lack of manure, have had an adverse influence on production. Fertilisers, also are wanting, and saltpetre, super-phosphates, and similar materials formerly obtained from abroad are scarce and expensive. There is even a serious lack of straw for stable use, so that for a number of years the impoverished soil cannot be expected to yield at the pre-war level. Hence the necessity for importing large quantities of foodstuffs from America and the Balkan States — from Jugoslavia, Bulgaria and Rumania. There are certain branches of agriculture, however, that with their cognate industries make up to a large extent for this shortage of food, as sugar and alcohol can both be exported in large quantities and at remunerative prices. Czechoslovakia, as a matter of fact, is the only European country which exports sugar. Germany, with a population many times larger, is the only producer on a large scale, but she consumes the whole of her output. At present, all efforts are concentrated

on the task of regaining and if possible, raising the pre-war level of production in agriculture, the production to-day being inadequate for home requirements. And, although the insufficiently tilled and manured fields will require a more or less lengthy period in which to recuperate, undoubtedly these efforts will, in the end, restore Czechoslovak agriculture to its former prosperity.

*Extent of agricultural production.*

The following table shows the percentage of areas under various forms of cultivation (1 ha = 2,471 acres):

	Czecho-slovakia	Great Britain	France	Germany
Total area . . .	14,048.328 ha	31,223.078 ha	52,955.764 ha	54,108.836 ha
Arable land . . .	45 <sup>0</sup> / <sub>100</sub>	23 <sup>0</sup> / <sub>100</sub>	50 <sup>0</sup> / <sub>100</sub>	48 <sup>0</sup> / <sub>100</sub>
Meadows . . .	18 <sup>0</sup> / <sub>100</sub>	58 <sup>0</sup> / <sub>100</sub>	19 <sup>0</sup> / <sub>100</sub>	16 <sup>0</sup> / <sub>100</sub>
Forests . . .	33 <sup>0</sup> / <sub>100</sub>	4 <sup>0</sup> / <sub>100</sub>	18 <sup>0</sup> / <sub>100</sub>	26 <sup>0</sup> / <sub>100</sub>
Non-productive	4 <sup>0</sup> / <sub>100</sub>	15 <sup>0</sup> / <sub>100</sub>	13 <sup>0</sup> / <sub>100</sub>	10 <sup>0</sup> / <sub>100</sub>

The fact that half the total area of the Czechoslovak Republic consists of arable land, and that only 4 per cent is non-productive, shows the intensity with which cultivation is carried on as compared with other States. In the Czech territories (Bohemia, Moravia and Silesia) there is, properly speaking, no unused land, since the 4 per cent of non-productive area referred to in the statistics is accounted for by the surface taken up with buildings, rivers, roads etc. In Slovakia and Carpathian Ruthenia it will be possible to increase the amount of arable soil.

*Distribution of arable land.*

	Czecho-slovakia	Great Britain	France	Germany
Potatoes, legumes and other vegetables	15 <sup>0</sup> / <sub>100</sub>	33 <sup>0</sup> / <sub>100</sub>	21 <sup>0</sup> / <sub>100</sub>	14 <sup>0</sup> / <sub>100</sub>
Beetroot, hops, colza & other products	12 <sup>0</sup> / <sub>100</sub>	21 <sup>0</sup> / <sub>100</sub>	9 <sup>0</sup> / <sub>100</sub>	16 <sup>0</sup> / <sub>100</sub>
Fodder . . . . .	6 <sup>0</sup> / <sub>100</sub>	2 <sup>0</sup> / <sub>100</sub>	2 <sup>0</sup> / <sub>100</sub>	3 <sup>0</sup> / <sub>100</sub>
Fallow land . . . . .	7 <sup>0</sup> / <sub>100</sub>	—	11 <sup>0</sup> / <sub>100</sub>	7 <sup>0</sup> / <sub>100</sub>
Wheat . . . . .	11 <sup>0</sup> / <sub>100</sub>	11 <sup>0</sup> / <sub>100</sub>	27 <sup>0</sup> / <sub>100</sub>	8 <sup>0</sup> / <sub>100</sub>
Barley . . . . .	14 <sup>0</sup> / <sub>100</sub>	10 <sup>0</sup> / <sub>100</sub>	3 <sup>0</sup> / <sub>100</sub>	7 <sup>0</sup> / <sub>100</sub>
Rye . . . . .	17 <sup>0</sup> / <sub>100</sub>	0.3 <sup>0</sup> / <sub>100</sub>	5 <sup>0</sup> / <sub>100</sub>	26 <sup>0</sup> / <sub>100</sub>
Oats . . . . .	15 <sup>0</sup> / <sub>100</sub>	23 <sup>0</sup> / <sub>100</sub>	17 <sup>0</sup> / <sub>100</sub>	17 <sup>0</sup> / <sub>100</sub>
Maize . . . . .	3 <sup>0</sup> / <sub>100</sub>	—	5 <sup>0</sup> / <sub>100</sub>	3 <sup>0</sup> / <sub>100</sub>

The intensive cultivation in the Czechoslovak Republic is shown especially by the produce of beetroot, wheat, barley, and maize. On the other hand, rye, oats and fodder indicate an extensive cultivation. Wheat and barley account for 25 per cent of the arable land.

*Cattle breeding.*

The following table shows the number of head of cattle per 100 hectares in various countries before the war:

	Oxen	Pigs	Sheep
Denmark . . . . .	85	86	17
Germany . . . . .	60	71	15·8
Czechoslovakia . . . . .	51	29	15·7
Great Britain . . . . .	42	13	82
France . . . . .	34	18	44

In 1910 the lands now comprising Czechoslovakia possessed 4,500,000 head of cattle and 747,000 horses, but these amounts were greatly reduced as a result of the war. Thus, the statistics of 1918 show that the loss of cattle was 37·55 per cent, of horses 30·25 per cent, and of pigs 56·50 per cent compared with the figures for 1910.

The following table shows the proportion of cattle in Czechoslovakia as compared with the total number in the former Austro-Hungarian Empire:

The following table shows the position occupied by the Czechoslovak Republic as regards the world's total average production for the years 1909—1913 (in quintals). The figures in brackets indicate the amount per head in each case, and as regards cattle they represent the number per thousand inhabitants.

	Czecho- slovakia	Great Britain	Austria Hungary	Germany
Barley . . . . .	15,482,253 (1.12)	14,226,000 (0.31)	32,855,240 (0.64)	33,427,000 (0.52)
Wheat . . . . .	10,264,124 (0.74)	16,231,000 (0.36)	63,614,410 (1.25)	41,400,000 (0.64)
Oats . . . . .	14,127,961 (1.02)	29,986,000 (0.66)	37,650,000 (0.73)	85,929,000 (1.32)
Rye . . . . .	16,102,099 (1.17)	470,000 (0.01)	41,241,290 (0.81)	113,093,000 (1.74)

	Czecho- slovakia	Great Britain	Austria Hungary	Germany
Potatoes . . . . .	67,418,170 (4.88)	69,246,760 (1.53)	180,056,390 (3.51)	457,758,900 (7.05)
Oxen . . . . .	4,654,672 (337)	10,649,569 (234)	17,788,050 (346)	20,994,344 (323)
Pigs . . . . .	2,622,882 (190)	3,162,462 (70)	14,538,619 (283)	25,659,140 (396)
	France	Italy	Russia	U. S. A.
Barley . . . . .	10,491,000 (0.27)	2,200,000 (0.05)	101,849,000 (0.78)	39,599,000 (0.43)
Wheat . . . . .	86,447,000 (2.21)	49,876,000 (1.44)	180,576,000 (1.35)	186,889,000 (2.03)
Oats . . . . .	51,569,000 (1.32)	5,363,000 (0.15)	142,411,000 (1.06)	164,190,000 (1.78)
Rye . . . . .	12,453,000 (0.32)	1,354,000 (0.04)	225,388,000 (1.68)	8,869,000 (0.10)
Potatoes . . . . .	131,985,900 (3.37)	16,548,880 (0.48)	340,840,660 (2.62)	79,059,650 (1.05)
Oxen . . . . .	14,705,900 (375)	6,198,961 (164)	38,687,233 (296)	56,527,000 (612)
Pigs . . . . .	6,903,750 (177)	2,507,798 (66)	12,783,099 (98)	61,178,000 (662)

The following table shows the proportion of agricultural produce in Czechoslovakia as compared with that throughout the former Austro-Hungarian Empire.

	Total production in Austria-Hungary (in quintals)	Percentage of this total in Czecho- slovakia
Wheat . . . . .	63,614,410	16.1 per cent
Rye . . . . .	41,241,290	39.0 "
Barley . . . . .	32,855,240	47.1 "
Oats . . . . .	37,650,000	37.5 "
Maize . . . . .	53,928,930	3.7 "
Potatoes . . . . .	180,056,390	37.4 "

*Distribution of arable land and crops in 1920.*

	area under cultivation		crops in quintals	
	in hectares	per cent	total	per hectare
Wheat (autumn) . . .	570,458	9.6	6,418,390	11.3
wheat (spring) . . .	66,212	1.1	756,263	11.4
rye (autumn) . . .	883,878	14.8	8,213,116	9.4
rye (spring) . . . .	21,891	0.4	154,440	7.1
barley (autumn) . . .	11,084	0.2	127,039	11.6
barley (spring) . . .	683,557	11.4	7,980,639	11.7
oats . . . . .	801,806	13.4	8,658,794	10.8
maize . . . . .	152,098	2.6	2,450,621	16.4
corn: total . . . . .	3,228,725	54.1	—	—
peas . . . . .	21,994	0.4	257,384	11.8
vetch . . . . .	42,871	0.7	402,451	9.6
mixture . . . . .	70,931	1.2	826,978	11.5
rape-seed . . . . .	6,674	0.1	72,035	10.8
poppy . . . . .	14,859	0.2	95,094	6.4
flax fibre . . . . .	22,030	0.4	130,772	5.9
flax seeds . . . . .			79,594	3.8
hemp fibre . . . . .	10,004	0.2	84,891	8.5
hemp seeds . . . . .			43,152	5.1
hops . . . . .	8,362	0.1	52,656	6.3
potatoes (early) . . .	16,963	0.3	1,409,048	83.6
potatoes (late) . . .	589,808	9.9	48,616,439	82.7
chicory . . . . .	8,013	0.1	1,292,991	162.9
sugar beet . . . . .	209,929	3.5	47,805,367	228.2
mangel-wurzels . . .	99,585	1.7	22,318,758	224.5
turnips . . . . .	18,389	0.3	2,850,606	155.1
vegetables: total . . .	33,566	0.6		
clover . . . . .	868,512	14.5	29,345,641	35.1
green fodder . . . . .	179,806	3.0	4,831,823	26.6
temporary meadows . .	105,297	1.8	2,843,921	27.0
other plants . . . . .	5,983	0.1		
fallow land . . . . .	363,850	6.1		
arable land: total . . .	5,969,844	100.0		

*Number of fruit trees and their yield in 1920.*

	No of trees and bushes	yield in metric quintals
apples . . . . .	6,651,254	3,694,197
pears . . . . .	3,352,003	1,418,889

	No. of trees and bushes	yield in metric quintals
cherries . . . . .	2,541,211	981,068
plums . . . . .	10,241,134	3,556,183
plums (green) . . . . .	1,268,393	426,148
walnuts . . . . .	629,580	193,915
hazelnuts . . . . .	448,939	14,289
gooseberries . . . . .	1,500,177	22,472
currants . . . . .	1,820,507	41,038
raspberries . . . . .	2,957,244	37,073

*Distribution of the total area of Czechoslovakia in 1920 according to cultivation.*

	hectares	per cent
arable land . . . . .	5,969,844	42.50
meadows . . . . .	1,382,389	9.84
gardens a) fruit, flowers etc. . . . .	129,288	0.92
b) vegetables . . . . .	24,170	0.17
vineyards . . . . .	18,697	0.13
pastures . . . . .	1,153,965	8.22
forests . . . . .	4,661,133	33.17
ponds, lakes, marshes . . . . .	77,998	0.56
area taken up with buildings, roads etc. and non-productive land . . . . .	630,834	4.49
Total area of the Republic . . . . .	14,048,328	100.00

*Market prices.*

The following table shows the average prices in crowns for the commodities named below during the period 1909 to 1913:

	Per 10 quintals of wheat	Per 1 quintal of beef
Paris . . . . .	255	153
Berlin . . . . .	249	154
Prague . . . . .	244	146
London . . . . .	195	133

The following are the approximate prices paid for daily necessities in February 1921, together with the respective index numbers (July 1914 = 100):

	Prices per unit (Kč. = Czechoslovak crowns)	index Nos.
Wheaten flour . . . . .	Kč. 8.— per 1 kg	1524
Potatoes . . . . .	" 1.— " 1 "	1144
Meat: Beef . . . . .	" 20.— " 1 "	1141
Pork . . . . .	" 22.— " 1 "	1244
Mutton . . . . .	" 20.— " 1 "	1286
Lard . . . . .	" 38.— " 1 "	1977
Butter . . . . .	" 46.— " 1 "	1743
Margarine . . . . .	" 30.— " 1 "	1957
Milk . . . . .	" 3.60 " 1 litre	1284
Eggs . . . . .	" 1.30 each	1843
Beer . . . . .	" 2.40 per 1 litre	702
Sugar . . . . .	" 8.30 " 1 kg	1096
Peas . . . . .	" 8.— " 1 "	1546
Lentils . . . . .	" 8.— " 1 "	1477
Cabbage . . . . .	" 2.— " 1 "	940
Coal . . . . .	" 50.— " 1 metric quintal	1974

### *Agriculture and employment.*

In Czechoslovakia 41 per cent of the population are engaged in agriculture. The following table gives the relative distribution of the inhabitants in various countries as regards their occupations:

	Liberal Professions (incl. army)	Commerce	Industries	Agri- culture
Czechoslovakia . . . . .	20.1%	8.6%	29.7%	41.6%
France . . . . .	11.3%	14.3%	31.7%	42.7%
Great Britain . . . . .	20.9%	23.1%	44.1%	11.9%
Germany . . . . .	12.4%	12.4%	40.0%	35.2%
Italy . . . . .	8.7%	7.4%	24.5%	59.4%

## 2. FORESTRY.

The forest-wealth in Czechoslovakia is enormous, and the Republic besides being a highly-developed agricultural and industrial State, ranks

among the most richly wooded countries of Europe. The forest-land amounts to 32 per cent of the whole area (England 4 per cent). Altogether about 4,014,803 hectares (England 1,250,000 hectares) are covered with forests and woods. Thus, Czechoslovakia although a comparatively small State, has a forest area nearly four times larger than that of England, over one-half of that of France and more than the whole afforested part of Italy. The extent of the forests, however, does not give a correct estimate of the Czechoslovak wealth in wood. The real measure to apply is the productiveness of the forests and the quality of the timber. A few figures will supply the necessary information.

Under normal conditions this natural wealth could be made to yield 10,817,051 cubic metres of soft timber annually. About 30 per cent of this consists of firewood, thus leaving about 8 million cubic metres for industries and building purposes. In addition to this, about 2 million cubic metres of hard timber could be obtained. About 650,000 cubic metres of soft wood are used by mining concerns, 1,000,000 cubic metres in the manufacture of cellulose and 30,000 cubic metres for telegraph and telephone poles. The remainder, consisting of about 6,320,000 cubic metres, comprises timber for sawing and building, together with a small quantity for export to neighbouring States. The hard wood is used in making sleepers (about 500,000 cubic metres), and also for parquet flooring, which is prepared in about 20 factories. There is not enough hard wood for export, and certain kinds even have to be imported, the chief countries from which it is obtained being Russia, Jugoslavia and America. On the other hand, about 1,600,000 cubic metres of timber for mines and about 4,000,000 cubic metres of timber for sawing are available for export.

The ownership of the forests and woods is divided as follows: The State owns in round figures 1,400,000 acres, while various local bodies, limited companies and charitable institutions hold over 2,471,000 acres. About 593,040 acres belong to the Church, and the remainder, about 7,907,200 acres, is private property, the majority forming part of large landed estates.

The forests are managed according to a well-arranged plan which works almost to perfection, and the normal produce of timber is governed by the principle that the amount cut each year may be equal to the annual after-growth, estimated at 3—3½ cubic metres per hectare. In the near future a new measure will enable the Government to take over the chief administration of all forests. This will guarantee a uniform, intensive cultivation, and a considerable increase in the annual yield may be expected.

About 78 per cent of the forest-land is covered with pine forests, 10 per cent with leaved trees, the rest being mixed woods. In Slovakia



and Carpathian Ruthenia, beech predominates (42 per cent). In addition there is 32 per cent of pine and fir and 25 per cent of oak.

The production of tannin from oak and pine deserves special notice, as well as that of resin and forest-seeds which the Czechoslovak woodlands yield abundantly. In this respect it may be mentioned that the State administration intends to stimulate the crop of forest-seeds from full-grown and selected woods, and to exercise an efficient control over the selection of the seeds according to their germinating capacity, purity and origin.

During 1920, 848,181 metric tons of timber were exported chiefly to the following countries: Hungary 215,943 tons, Austria 147,134 tons, Italy 84,146 tons, France 42,169 tons, Germany 245,407 tons, Switzerland 20,337 tons, etc.

(As regards the timber trade and woodworking industries, see chapter dealing with industry.)

### 3. AGRICULTURAL EDUCATION.

Schools of agriculture and forestry were established by local authorities. The only State school for higher agricultural education was the one which in 1906 was affiliated to the Technical Institute at Prague. Since then the systematic study of various branches of agricultural sciences has been very actively pursued. The Republic has founded 13 new schools, and agricultural education is now provided for as follows: 2 schools for higher agricultural studies (with forestry departments), 2 agricultural academies, 14 agricultural secondary schools, 5 forestry secondary schools, 27 elementary agricultural schools, 6 elementary forestry schools, 72 winter courses, 18 special schools, 31 courses in domestic economy, making a total of 180 schools.

More than two-thirds of the agricultural schools in former Austria were situated upon Czech territory, from which more than four-fifths of their pupils were recruited. In Slovakia there was not a single Slovak agricultural school. The number of popular courses in agriculture has been increased under the Republic from 45 to 133.

More than 50 agricultural periodicals have been founded for the technical and economic instruction of those engaged in agriculture. For this purpose also many lectures have been held in the country districts, and numerous exhibitions have been organised.

### 4. LAND REFORM.

On April 19<sup>th</sup>, 1919 the National Assembly passed a law providing for the expropriation of large estates. These were held almost entirely by German nobles, who received the land from the Habsburgs for

services rendered to them during the Czech revolution in 1620. After the defeat of the Czechs at the Battle of the White Mountain in the latter year many members of the Czech nobility were executed, imprisoned or exiled, all their fortunes and landed property being confiscated and becoming the property of the Habsburgs, their German officers and followers. Since then the Czech nation was practically deprived of land. But as soon as the Czechoslovaks threw off the Habsburg yoke and German domination, it became clear that this land, which had been illegally seized, must again become the property of the nation, and the Land Reform Bill was passed unanimously.

The law relating to the expropriation of landed property gives to the State the right to expropriate the areas of large estates in excess of 150 hectares, where the land consists of fields, gardens and meadows, or of 250 hectares in the case of any other soil, including pasturage and forest-land. The owner may, however, be left with land up to an area of 500 hectares, and in very exceptional circumstances, even this limit may be exceeded. In the whole Republic about 1,076,000 hectares of agriculturally productive land, and 3,402,000 hectares of agriculturally non-productive land (forests, ponds, pastures) will be affected by this law. A Land Office, established by law, deals with the carrying out of this reform. Its activities are based in particular upon the law dealing with the control of the expropriated land, and also upon the law prescribing the details of its distribution. The latter enactment, which is the most important from the point of view of economic and technical principles, indicates especially those who are to benefit by the distribution. In order to satisfy immediately the urgent need for land, the law relating to the distribution of the estates provides for the renting of land on a short lease. In this way, 150,000 to 200,000 hectares of land were let in 1920, these areas representing about one-sixth of the total landed property subject to expropriation. Laws have also been passed providing for credit grants to poorer purchasers of land, and for the adjustment of compensation to be paid to the expropriated land owners.

The large estates belonging to citizens of former enemy States or to the former Imperial family will be taken over by the State without any compensation, as far as this does not interfere with any special provisions in the Peace Treaties. As regards other estates, compensation will be paid according to the average value of the landed property in 1913—1915.

The estates will be either divided and allotted to tenants (preference being given to disabled soldiers and their families), or used for other purposes of general utility.

The first two years after the principal law came into force were devoted to the preparations for the detailed enactments and plans for

carrying out the reform, and to the organisation of the local boards throughout the country. In June 1921 the Land Office published a scheme upon which the proceedings are to be based for the next three years as regards Bohemia, Moravia and Silesia, and for one year as regards Slovakia and Carpathian Ruthenia.

For the next three years the activities of the Land Office will be concerned with the following:

1. Property which has been abandoned (Slovakia, Carpathian Ruthenia), negligently managed, or permanently leased, irrespective of the area of the property concerned.

2. In Bohemia, Moravia and Silesia, estates belonging to owners who possess more than 500 hectares of land within the territory of the Czechoslovak Republic, while in Slovakia and Carpathian Ruthenia these measures will apply to estates, the owners of which possess more than about 500 acres of landed property within the State.

3. Property recently sold by the owners, or purchased during the war or since the war by the present owners, with the object of concealing their war-profits.

4. Estates which are not personally managed by their owners.

5. In cases of urgent need, or where the interests of the State demand it, plots of land will be taken over irrespective of their area.

In taking over and managing property, the Land Office will pay attention to the following principles:

a) Estates managed in an exemplary manner and serving the interests of public utility, are to be spared, or at least, to be treated with special consideration.

b) Artistic monuments and natural beauties of scenery are not to be interfered with.

c) The interests of agriculture and the industries depending upon it are to be consulted.

d) In districts where there is a lack of expropriated property, land is to be acquired for the purposes of land reform by the exchange of expropriated for unexpropriated land.

In Bohemia, Moravia and Silesia the following are to be taken over during the first period:

176,000	hectares	of agricultural land
265,000	"	" forest land
7,000	"	" other land
Total	448,000	hectares of land

This does not include the landed estates in the area of Greater Prague. The above land belongs to 152 owners, the details of whose property in Czechoslovakia are as follows:

2	possess	more than	100,000	hectares
1	possesses	between	50,000 and	100,000 hectares
36	possess	"	10,000 "	50,000 "
45	"	"	5,000 "	10,000 "
58	"	"	1,000 "	5,000 "
10	"	less than	1,000	hectares.

In Slovakia the area of land which will be taken over during the first period amounts to 39,000 hectares, comprising 62 estates and belonging to 60 owners.

In Carpathian Ruthenia there will be 5,000 hectares, comprising 3 estates and belonging to 3 owners.

Thus throughout Czechoslovakia the total area of land which will be taken over during the first period amounts to 492,000 hectares comprising 313 estates, and belonging to 215 owners.

Distribution of landed property in Bohemia, Moravia and Silesia, showing areas held by previous owners.

Gradations of area	No. of owners	Aggregate area in hectares	Percentage of total land
Less than 1/2 hectare . . . .	667,526	102,232	1.32
From 1/2 to 1 hectare . . . .	201,389	144,393	1.86
" 1 " 2 hectares . . . .	181,542	256,684	3.31
" 2 " 5 " . . . .	176,826	560,855	7.22
" 5 " 10 " . . . .	103,497	744,079	9.59
" 10 " 20 " . . . .	94,960	1,354,689	17.46
" 20 " 50 " . . . .	51,813	1,449,353	18.68
" 50 " 100 " . . . .	4,181	276,924	3.57
" 100 " 200 " . . . .	1,126	151,984	1.96
" 200 " 500 " . . . .	567	173,954	2.24
" 500 " 1000 " . . . .	214	154,240	1.99
" 1000 " 2000 " . . . .	165	240,503	3.10
2000 hectares and over . . . .	236	2,150,684	27.70
	1,483,042	7,760,574	100

Slovakia and Carpathian Ruthenia.

Gradations of area.	Districts on the left bank of the Danube		Districts on the right bank of the Tisza	
	Percentages of		Percentages of	
	total no. of owners	total area	total no. of owners	total area
Less than 1 acre (0.5754 hectare) .	21.48	0.60	21.49	0.48
From 1 to 5 acres . . . . .	32.75	5.84	29.71	4.71
" 5 " 10 " . . . . .	19.85	9.44	22.82	9.27
" 10 " 20 " . . . . .	16.32	15.07	16.77	12.92
" 20 " 50 " . . . . .	7.51	14.24	7.03	11.44
" 50 " 100 " . . . . .	1.15	5.20	1.15	4.36
" 100 " 200 " . . . . .	0.34	3.13	0.37	2.86
" 200 " 500 " . . . . .	0.29	6.05	0.33	6.00
" 500 " 1000 " . . . . .	0.15	6.68	0.20	8.13
100 acres and over . . . . .	0.16	33.75	0.23	39.83

The following statistics indicate the manner in which the land, now being dealt with, was divided up before the war:

	Czechoslovakia as a whole	Bohemia, Moravia & Silesia	Slovakia
Former aristocracy .	55 per cent	71 per cent	36 per cent
Ecclesiastical property	8 " "	9 " "	6 " "
Small land-owners .	15 " "	9 " "	22 " "
Communal property .	12 " "	5½ " "	20 " "
Property of the Habsburgs . . . . .	10 " "	5½ " "	16 " "

Before the general plan for the assignment of land has been sanctioned, the Land Office will hear the opinion of an expert commission in important cases, in order that the economic and social interests involved may be taken into account.

As far as the actual distribution of land is concerned, it should be mentioned that extensive forest and fishery areas are to be kept intact, and in the first instance are to be reserved for the State. The general scheme for distribution will also decide to what extent large agricultural areas are to remain intact, with special reference to the interests of agricultural industries and public supplies. The scheme will also indicate the most effective method of proceeding in the case of industrial concerns which have to be dealt with in accordance with the reform.

## CHAPTER IV.

# INDUSTRIES.

### 1. GENERAL SURVEY.

Czechoslovak industries can be divided into three groups. The first comprises those industries which derive their raw materials from the Republic itself. These include the agricultural industries, sugar, alcohol, beer, malt, starch etc., the porcelain industry, glass making and the timber industry. The second group comprises industries obtaining only a part of their raw materials at home. Such are the industries producing steel, iron, the greater part of the metal industries, together with the chemical and leather industries. The third group consists of those industries which import all their raw materials. These are the textile industries, the phosphate industry, and various metal industries such as copper and nickel.

The financial statistics relating to these three groups are as follows:

	Value of Imports	Value of Exports
1 <sup>st</sup> group . . . . .	21 million crowns	713 million crowns
2 <sup>nd</sup> " . . . . .	538 " "	1,079 " "
3 <sup>rd</sup> " . . . . .	453 " "	905 " "
	1,012 million crowns	2,697 million crowns

The only countries whose exports exceeded those of Czechoslovakia are Great Britain, the United States of America, Germany, France and Russia.

The following statistics show the amounts contributed before the war by the Czechoslovak territories to the industrial production in former Austria-Hungary:

Sugar . . . . .	92 <sup>o</sup> / <sub>o</sub>	Glass . . . . .	92 <sup>o</sup> / <sub>o</sub>
Alcohol . . . . .	46 <sup>o</sup> / <sub>o</sub>	Textile products:	
Beer . . . . .	57 <sup>o</sup> / <sub>o</sub>	a) Cotton . . . . .	75 <sup>o</sup> / <sub>o</sub>
Malt . . . . .	87 <sup>o</sup> / <sub>o</sub>	b) Wool . . . . .	80 <sup>o</sup> / <sub>o</sub>
Food-stuffs . . . . .	50 <sup>o</sup> / <sub>o</sub>	c) Jute . . . . .	90 <sup>o</sup> / <sub>o</sub>
Chemical products . . . . .	75 <sup>o</sup> / <sub>o</sub>	Leather . . . . .	70 <sup>o</sup> / <sub>o</sub>
		Gloves . . . . .	90 <sup>o</sup> / <sub>o</sub>
Metals . . . . .	60 <sup>o</sup> / <sub>o</sub>	Footwear . . . . .	75 <sup>o</sup> / <sub>o</sub>
Porcelain . . . . .	100 <sup>o</sup> / <sub>o</sub>	Paper . . . . .	65 <sup>o</sup> / <sub>o</sub>

SUMMARY OF PRODUCTION AND EXPORTS (1912—13).

1<sup>st</sup> Group.

a) *Agricultural industry.*

	Production	Exports	Value of Exports
Sugar . . . . .	1,470,000 tons	860,000 tons	180 mil. crowns
Alcohol . . . . .	200,000 "	35,000 "	50 " "
Beer . . . . .	1,300,000 "	120,000 "	24 " "
Malt . . . . .	500,000 "	190,000 "	61 " "
Hops . . . . .	11,500 "	6,000 "	24 " "
Starch . . . . .	—	23,000 "	10 " "
			Total 349 mil. crowns

b) *Timber Industry.*

	Production	Exports	Value of Exports
Timber for build- ing purposes . . . . .	12,500,000 tons	1,500,000 tons	108 mil. crowns
Furniture . . . . .	—	—	30 " "
Wooden articles . . . . .	—	—	20 " "
			Total . . . 158 mil. crowns

c) *Food-stuffs.*

	Exports	Value of Exports
Cured meat . . . . .	430,000 tons	90 mil. crowns
Confectionery Preserved Fruits Jam } . . . . .	— "	10 " "
Total . . . 100 mil. crowns		

d) *Porcelain, pottery etc.*

	Production	Exports	Value of Exports
Porcelain . . . . .	30,000 tons	17,500 tons	14 mil. crowns
Kaolin . . . . .	330,000 "	200,000 "	14 " "
Paving materials . . . . .	126,000 "	94,000 "	68 " "
Fire-clay . . . . .	296,000 "	114,000 "	10 " "
Total 106 mil. crowns			
Total of 1 <sup>st</sup> group 713 mil. crowns			

2<sup>nd</sup> *Group.*

a) *Chemical industry.*

Import of raw materials	Exports	Value of Exports
327,580 tons	500,000 tons	230 mil. crowns

b) *Leather industry.*

Raw hides . . . 45,000 tons	Footwear 25 mil. pairs	250 mil. crowns
Quebracho extract . 20,000 tons	Gloves 700,000 doz. pairs	20 " "

c) *Metal industry.*

Metals 85,248 tons	Machine and metal goods 100,000 tons	300 " "
Iron, tin, and zinc ore 15,000 tons	Motor-cars 1,500 tons	70 " "



Swedish iron ore 600,000 tons, Ploughs 100 tons, Agricultural machines . . . . .	56 mil. crowns
Iron and Steel products 600,000 tons . . . . .	86 " "
Enamel goods 45,000 tons . . . . .	67 " "
Total of 2 <sup>nd</sup> group 1.079 mil. crowns	

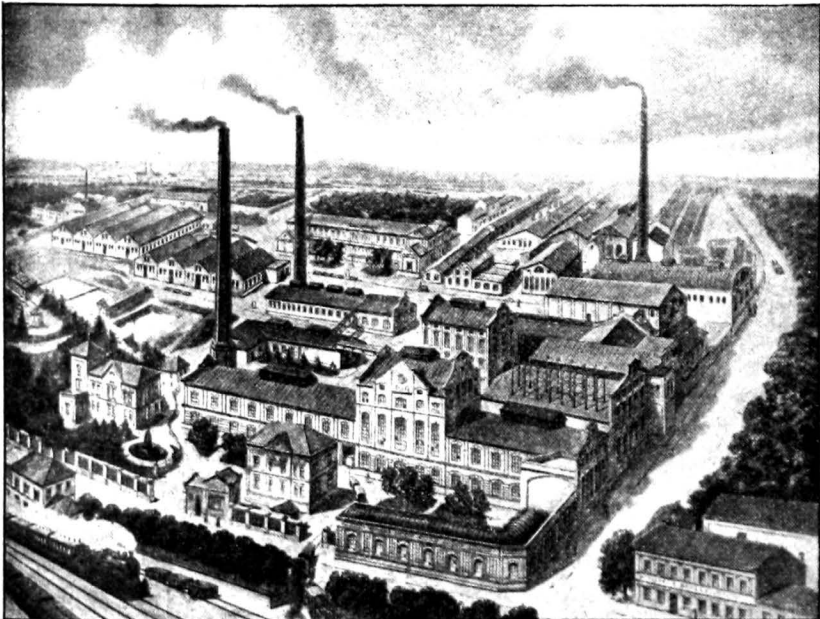
*3<sup>rd</sup> Group.*

Cotton 192,000 tons	Finished products 60,000 tons	400 mil. crowns
Wool 36,000 "	" " 40,000 "	375 " "
Linen 30,000 "	" " 16,000 "	105 " "
Jute 36,000 "	" " 25,000 "	25 " "
Total of 3 <sup>rd</sup> group 905 mil. crowns		

### 3. SUGAR INDUSTRY.

It is well-known that Czechoslovakia occupies a very important position in the world's sugar manufacture, but there are still many people who do not know that this State is the only European sugar exporter and the second largest beet-sugar producer in the world. Some data concerning the development and the productive capacity of the Czechoslovak sugar industry may therefore be of interest.

The first sugar factory on what is now Czechoslovak territory was established at Zbraslav near Prague in 1787, and was followed by those



The Sugar Factory and Refinery at Pečky.

at Záký near Čáslav in 1810, at Dačice in 1829 and Dobrovice in 1830. The development of the industry in the past 30 years is illustrated by the following table, showing the Czechoslovak sugar production for the year 1888/89 as compared with 1912/13:

Province	Factories		Sugar production in tons	
	1888-89	1912-13	1888-89	1912-13
Bohemia . . . .	136	108	309,400	781,736
Moravia . . . .	49	51	137,100	414,768
Silesia . . . .	9	5	2,000	18,642
Slovakia . . . .	—	9	—	259,045
<b>Total . . .</b>	<b>194</b>	<b>173</b>	<b>448,700</b>	<b>1,474,191</b>

At first the sugar factories were in the nature of smaller agricultural concerns, which, however, were slowly converted into large and up-to-date establishments with modern machinery, working to-day on a large scale. The monthly productive capacity of one Bohemian sugar factory amounting to 45,500 tons of sugar-beet, and that of a Slovak concern even to 150,000 tons (the French sugar factories produce on an average 31,338 tons monthly), shows clearly the high level of the Czechoslovak sugar industry, which is also confirmed by the fact that the Czechoslovak sugar output for the year 1912/13, amounting to 1,474,191.3 metric tons, represented 17.92 per cent of the beet-sugar production of the whole world, or 8.12 per cent if cane-sugar is included.

How important a part is played by Czechoslovakia in the world's sugar production can be seen from the following table, where its average annual output for the period 1909/13 is compared with that of other countries:

1 quintal = 100 kilogrammes = 220.46 English lbs.

1909-1913	Germany	European Russia	Czechoslovakia	France	U. S. A.
The total annual production in quintals	22,898,504	15,433,421	11,576,639	7,309,030	6,291,791
No. of quintals of sugar per hectare of arable land	0.658	0.12	1.395	0.198	0.030
No. of quintals of sugar per 10 inhabitants	3.530	1.180	8.890	1.870	0.680

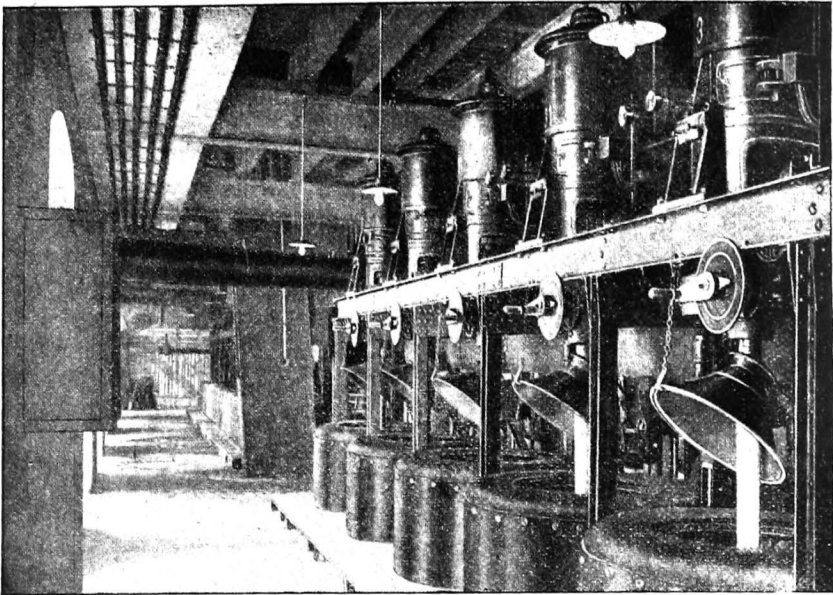
If compared with the world's total sugar production for the same period, the Czechoslovak output, with its 11,576,639 quintals, formed 15 per cent of the total beet-sugar production, which amounted to 78,201,744 quintals. If cane-sugar also is included (83,252,322 quintals) the Czechoslovak output amounted to 7.5 per cent. The above table shows that the sugar industry in the territories now comprising the Czechoslovak Republic was third as regards the quantity produced, being however first in the world for abundance of sugar-beet crop and the quantity of sugar produced per head.

The total average production of the former Austro-Hungarian Empire amounted in 1909—1913 to 1,500,606 tons of refined sugar annually, of which quantity 77.3 per cent was produced by the provinces now forming the Czechoslovak Republic. The comparison between these territories and the whole of Austria-Hungary is very interesting, showing clearly the fertility and industrial development of Czechoslovakia.

The figures relating to the average yearly production of 1909—13 are given in metric quintals (1 metric quintal = 220.46 lbs).

Czechoslovakia						Austria-Hungary
1909—1913	Bohemia	Moravia	Silesia	Slovakia	Total	
No. of factories	108	51	5	9	175	201
Annual output	6,978,425	3,605,672	164,667	1,727,875	12,476,639	15,006,056
Quantity of sugar per hectare of sugar-beet	44.38	43.50	66.75	29.57	40.88	39.79
No. of quintals of sugar per hectare of arable land	1.75	2.35	0.51	0.63	1.40	0.36
No. of quintals of sugar per 10 inhabitants	8.89	13.76	2.18	6.28	8.89	2.99

In the period 1912—1913 the total output of Austria-Hungary was 19,016,256 quintals, of which quantity 10,912,313 quintals were exported. The corresponding figures for the Czechoslovak regions were 14,841,150 quintals and 8,518,051 metric quintals respectively.



The interior view of a sugar factory. — The Separators.

At present, Czechoslovakia contains 186 factories, distributed as follows:

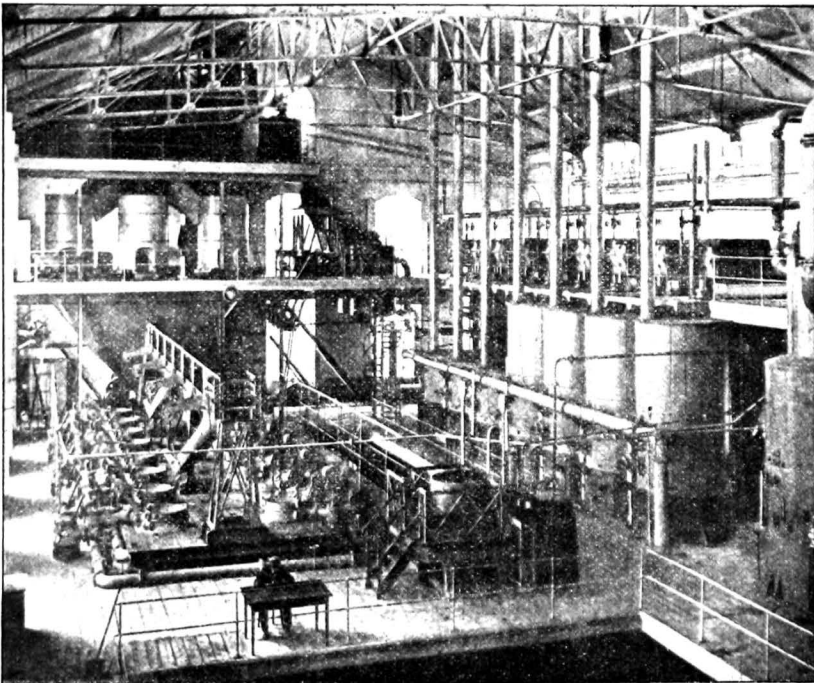
Province	Refineries	Raw sugar factories and refineries combined	Raw sugar factories only	Total
Bohemia . . . .	8	16	94	118
Moravia . . . .	3	17	32	52
Silesia . . . .	2	2	3	7
Slovakia . . . .	—	9	—	9
Total . . .	13	44	129	186

The normal consumption in Czechoslovakia is estimated at 300,000 to 350,000 tons, so that if the pre-war production is reestablished, 800,000 to 1,000,000 tons of refined sugar will be available for export. It is true, however, that in Czechoslovakia, as elsewhere, there has been a decrease in the production since 1914, owing to abnormal conditions during the war. The industry suffered greatly through shortage of coal, of which only a small proportion of the 850,000 tons needed could be supplied. The requisitions of cattle as well as the lack of artificial fertilisers and the labour shortage have also had an adverse influence on the production of sugar-beet, and so the sugar output decreased to 6,481,813 metric

quintals in 1918/19, 6,408,161 quintals in 1919/20 and about 6,990,000 quintals in 1920/21.

As regards grade and quantity of sugar produced in 1920/21 as compared with 1919/1920, the following figures are interesting:

	1919—1920	1920—1921 (to the end of March)
Refined sugar . . . . .	1,785,350 quintals	2,546,593 quintals
Granulated sugar . . . . .	2,390,725 „	3,116,833 „
Raw sugar . . . . .	321,029 „	532,591 „



The interior view of a sugar factory.

During the period 1919/1920 about 110,000 metric tons of molasses were also produced. Sugar candy is manufactured at Prague, Vršovice and at Němčice na Hané.

The situation in the Czechoslovak sugar industry has been rendered stable since the formation of the Republic by the firm control exercised by the Sugar Commission, and by co-operation on the part of the factories. This is especially applicable to the measures taken for assuring supplies of beet to each refinery. At present the industry is chiefly in the hands of big joint stock companies of very good standing. In the case of many

establishments the reserve funds are higher than the paid up capital. Throughout the country there is a strong tendency towards concentration of interests. The big companies are trying to extend their sphere of influence over a maximum number of raw sugar factories, thus ensuring a steady and regular supply of raw sugar for their refineries.

In Bohemia there are 15 joint stock companies with beet-growers as stock holders, while certain refineries have estates producing from 30 to 40 per cent of the total beet requirements. The balance is supplied by small growers under contract. The same applies to Moravia and Silesia, where there are 14 stock companies formed by beet growers. About half the supply of beet in these provinces, however, is raised on estates operated by the refineries. In Slovakia also the refineries grow 90 per cent of their requirements on large estates, which they operate themselves, while the balance of the beet needed is supplied by small landowners under contract.

The largest Czechoslovak sugar factory is that of Krásné Březno (Schönpriesen) which is established chiefly for export (especially to England) and in 1912—13 produced 102,192 tons of refined sugar. Then follow those at Nestomice (1912—13 production 94,278 tons), and at Trnava in Slovakia.

Of banks interested in the sugar industry the following may be mentioned as the most influential: The Živnostenská banka, Prague (the largest Czechoslovak Bank), the Moravian Agrarian and Industrial Bank in Brno, the Prague Credit Bank, which has also established a Czech-Serbian sugar factory in Čuprija, Serbia, and a Czech-Bulgarian sugar factory in Gorna Orechovica in Bulgaria, Bohemian Credit and Discount Bank, Länder-Bank, and the Bodenkreditanstalt. The Živnostenská banka also founded a sugar factory in Osijek, Jugoslavia. The amalgamation of interests in the sugar trade which took place between the Živnostenská banka and the Bohemian Discount and Credit Bank resulted in the foundation of a common joint stock company for the sugar trade.

The organisation of the sugar industry is excellent. The different district associations are united in the "Central Federation of the Czechoslovak Sugar Industry" in Prague, which issues two weeklies and is a first-class institution, with authority in judicial, technical and commercial matters. The sugar refiners as well as the beet-growers have formed a special group. It has a department for the selection of beet-seed at Dobrovice, producing seed of first-rate quality, and a Research Institute for the sugar industry at Brno. All these syndicates and unions which work hand in hand, form a powerful structure in the economic life of the country. There is also the Sugar Insurance Company which covers all the Czechoslovak sugar factories. In 1919—1920 (September 1<sup>st</sup> 1919—August 31<sup>st</sup> 1920) the value of the property insured amounted to

8,870,805,874 crowns, the revenue on the premiums to 26,293,609 crowns and the amount paid as compensation was 11,964,410 crowns.

The development of the sugar industry brought about a large industry for the production of special machinery. In this respect, the machines of the Bohemian-Moravian Machinery, the Amalgamated Machineries and of Breitfeld, Daněk & Co. Ltd. in Prague, are well-known in all sugar-producing countries.

Before the war the largest buyers of Czechoslovak sugar were Great Britain, India, Switzerland, the Levant, Turkey, Greece.

According to the statistics for 1919 and 1920, the exports amounted to 216,436 tons of sugar in 1919, and 248,648 tons of sugar in 1920. The exports for these two years were distributed as follows:

To	1919	1920
Austria . . . . .	71,040 tons	57,703 tons
Bulgaria . . . . .	10,439 "	4,311 "
France . . . . .	69,925 "	118,371 "
Germany . . . . .	31,078 "	13,699 "
Hungary . . . . .	740 "	4,144 "
Italy . . . . .	2,275 "	10,779 "
Norway . . . . .	11,334 "	4,341 "
Poland . . . . .	5,539 "	5,027 "
Rumania . . . . .	936 "	5,056 "
Switzerland . . . . .	250 "	11,644 "
Jugoslavia . . . . .	10,616 "	4,739 "
U. S. A. . . . .	—	2,943 "

All the exports are centralised in the Czechoslovak Sugar Export Company Ltd., Prague, which is the only institution authorised to sell sugar for abroad, and is under the control of the Ministry of Finance and the Board of Foreign Trade.

In spite of all the drawbacks with which the Czechoslovak sugar industry still has to contend, there is every reason to believe in its future development, and the constant increase of its output. Recently, the industry has been released from all Governmental control, and a liquidation of the Czechoslovak Sugar Commission, which was an official body controlling the whole Czechoslovak sugar Trade, has been decided upon. Instead, a Sugar Syndicate embracing the whole industry, i. e. the organisation of the beet-growers, raw sugar factories and refineries, has been formed. The export of sugar will also in future be in the hands of the Czechoslovak Sugar Export Company, which, together with the

Control Office regulating the trade between the wholesale traders and the refineries, will be under the supervision of the Syndicate.

#### 4. PRODUCTION OF HOPS.

Bohemian hops are noted all over the world for their high quality. The district of Žatec (Saaz) is to Czechoslovakia what Kent is to England. Hops grow exceedingly well in red clay (perm formation) which is found mainly in the districts of Žatec and Ouštěk (Auscha). There are smaller hop areas in Bohemia, at Rakovník and Duba. In Moravia hops are cultivated in the vicinity of Tršice. About two-thirds of the total output are delivered by the Žatec district. The year 1912 showed the biggest crop (329,600 cwt.).

The figures relating to the hop culture in Bohemia before the war, and the corresponding figures for 1919 and 1920, are as follows:

Year	Hop area in hectares	Total	Crop in cwts Per hectare
1907	17,280	211,000	12.20
1908	16,750	290,020	17.32
1910	14,715	245,100	16.64
1912	15,093	329,600	21.94
1919	8,584	87,036	9.95
1920	8,361	105,312	12.06

The Czechoslovak beer-brewing industry consumes 30—40,000 tons of hops annually, leaving thus a considerable surplus for export. With regard to the pre-war export of hops, only the statistical data of the former Austro-Hungarian Monarchy are available. But, since the Bohemian hop culture played a predominant part in the whole hop production of the empire (80 to 90%), the figures form a reliable guide to the Czechoslovak hop exports. The total exports in 1912 amounted to 355,662 cwt., in 1919 to 101,048 cwt. in 1920 to 131,996 cwt., the largest buyers being:

	1912	1919	1920
	(i n c w t s.)		
Germany . . . . .	136,370	766	3,084
U. S. A. . . . .	30,784	5,800	6,376
Holland . . . . .	16,350	2,340	534
England . . . . .	11,156	44,000	75,482



	1912	1919	1920
	(i n c w t s.)		
Russia . . . . .	8,838	5,000	
Switzerland . . . . .	7,898		1,954
France . . . . .	5,796	13,000	5,414
Italy . . . . .		12,260	4,984
Belgium . . . . .		7,360	6,514
Austria . . . . .		5,940	6,004

Bohemian hops, together with the well-known Moravian malt, form a staple ingredient of "Pilsner beer" which is famous throughout the world. Although all the principal breweries made use of Bohemian hops in the production of their superior grades of beer, the Bohemian hop-exporters remained comparatively unknown in the international market, as most of the buyers made their purchases through German agents, especially those in Nuremberg. Before the war these agents had their branches all over the Bohemian hop-growing districts. Since the establishment of the Republic, the Czechoslovak dealers have been able to enter into unrestricted relations with foreign countries, as they no longer have to rely upon the help of German intermediaries. The new orientation of the industry is well illustrated by the above table.

Endeavours to counterfeit Žatec hops have been repeatedly made. This led to the establishment of a Hop Marking Department which keeps in constant touch with the hop districts and provides their respective produce with distinctive signs. All handling of hops, such as preparing, pressing etc., takes place under the control of this department. Its consignment notes are provided with a stamp which, together with the mark itself, are protected by law. The marking department is subject to Government control. Foreign buyers wishing to purchase genuine Žatec hops should insist upon getting the marked article. The necessary fee is a nominal one.

## 5. THE MALT INDUSTRY.

The production of malt forms another important branch of the agricultural industry and the well-known Bohemian beer derives its fame from the excellent home-grown barley, cultivated especially in the Hana region in Moravia, the Elbe valley in Bohemia and in southern Slovakia. Moravian Hana barley is exported all over the world.

During the period between 1903 and 1912 the average annual production of *barley* was as follows:

Province	Area under barley, in hectares	Yield in metric tons	Yield per hectare in metric tons
Bohemia . . . . .	343,261	603,299.8	1.76
Moravia . . . . .	201,645	337,916.3	1.68
Silesia . . . . .	24,470	31,230.4	1.28
Slovakia . . . . .	396,149	543,794.0	1.36
Total . . . . .	965,525	1,516,240.5	1.52

The home consumption of barley was about 24 per cent of the production, i. e. 369,000 metric tons.

Before the war the annual amount of barley exported was about 100,000 tons, its value being 22 million crowns. Of this quantity more than 75 per cent went to Germany, the remainder to England, Holland, Switzerland and Belgium.

The rise of the *malt* industry dates from the sixties of last century, when the first malt factories were established in the Hana district of Moravia, where the soil is of the most fertile character. From there, the production of malt was extended to various other parts of Czechoslovakia. At present there are 203 factories in the Republic, employing more than 15,000 workers. Before the war their output amounted to 230,000 tons of malt. Of this quantity only 40,000 tons were consumed by the home industry, 190,000 tons, to a value of 60.5 million crowns, being exported. The war interrupted all connection with the old established markets, which were obliged to satisfy their requirements with the products of other countries, and the Czechoslovak malt industry is now faced by powerful competition on all sides. To cope with it successfully, the Czechoslovak manufacturers are replacing the old installations by new and modern machinery. They are developing the quality of barley to the utmost perfection, and recently they formed a Syndicate to protect the interests of the whole industry. The present aim of the industry, which owing to the inadequate supply of barley, produces considerably smaller quantities than before the war, is to maintain and develop the pre-war reputation of the malt.

The development of the malt industry may be seen from the following figures relating to exports:

In 1890 . . . . .	127,900 tons	In 1910 . . . . .	174,681 tons
„ 1900 . . . . .	185,369 „	„ 1913 . . . . .	187,980 „
„ 1905 . . . . .	186,363 „	„ 1919 . . . . .	75,000 „

With the exception of 1919, however, these figures apply to the export trade of former Austria. But as 98 per cent of the malt exported by former Austria was produced in what is now Czechoslovak territory, they practically hold good for the present Czechoslovak malt industry.

Before the war, large quantities of Czechoslovak malt were bought by non-European countries, chiefly South America, Egypt and Japan (33 per cent). Other extensive customers were Germany (30 per cent) and Switzerland (22 per cent). In addition, Italy imported 7 per cent, the remainder going to Belgium, France, Holland, England and the Scandinavian countries. The largest purchasers of barley and malt in 1913, the last normal year, were the following countries:

	Barley (In metric quintals)	Malt
Total exports . . . . .	1,782,146	1,879,805
Germany . . . . .	1,418,600	555,237
England . . . . .	166,291	21,565
Switzerland . . . . .	22,932	372,214
South America . . . . .	—	363,404
Italy . . . . .	3,637	124,344
Belgium . . . . .	8,521	47,664
Holland . . . . .	24,519	44,847
Egypt . . . . .	—	9,347
Japan . . . . .	—	23,232

Owing to the scarcity of barley, only about 75,000 tons of malt were produced in the period 1919/1920, and of this quantity 70,000 tons, valued at about 550 million Czechoslovak crowns, were exported. The following countries were the chief buyers: Italy with 14,700 tons (21 per cent), Austria with 11,200 tons (16 per cent), Germany with 9,800 tons (14 per cent), Switzerland with 8,400 tons (12 per cent) and Belgium with 4,900 tons (7 per cent). The corresponding figures for 1920 were as follows: Italy 14,924 tons, Austria 12,069 tons, Germany 10,485 tons, Switzerland 7,059 tons, Belgium 4,753 tons.

The biggest malt-factories are those of Schindler & Stein, Brno; Milchspeiser & Katscher, Ivanovice na Hané; Kláštersko-Hradištská exportní sladovna, Olomouc (Export Malt Factory of Klášterské Hradiště). At present Czechoslovakia contains 203 malt-factories, of which 35 are in the hands of joint stock companies, and 168 belong to private owners. Nearly the whole industry is comprised in the Czechoslovak Malt Syndicate in Brno.

## THE BEER-BREWING INDUSTRY.

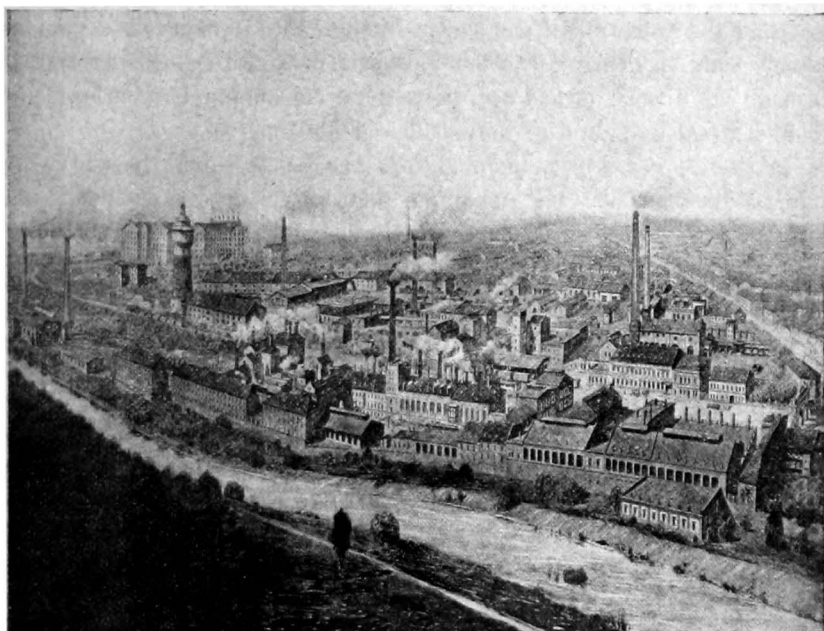
Before the war the beer-brewing industry was one of the most important and popular of the Czechoslovak industries, and Bohemian beer, especially that known as "Pilsner Beer", had the reputation of being amongst the best Continental products of its kind. The progress of the industry has been on a steadily increasing scale, and today there are 666 modern and efficient breweries with an annual capacity exceeding 13,000,000 hectolitres of beer.

The importance of this industry lies not only in the amount it yields to the Government revenue, although the Treasury was paid an annual sum of nearly 100,000,000 crowns in excise duties, but also in its connection with agriculture, the annual consumption of barley being about 350,000 tons, and of hops 3,000—4,000 tons.

As we have already pointed out, the Czechoslovak beer-brewing industry had reached the maximum point of its production before the war. At the period immediately preceding the outbreak of hostilities, the total number of breweries in Czechoslovakia amounted to 666, which, as pointed out above, also represents the present number in the Republic. These 666 breweries were distributed as follows: 455 were small breweries with an annual production amounting to 15,000 hectolitres each, forming a total output of about 2,250,000 hectolitres; 188 medium-sized breweries with an annual production amounting to 100,000 hectolitres each, forming a total output of about 6,250,000 hectolitres; and 23 large breweries with an annual production exceeding 100,000 hectolitres, their total output being about 4,500,000 hectolitres. Thus the total annual output of these 666 breweries amounted to about 13,000,000 hectolitres. There were 18,000 workmen and 2,000 other employees engaged in these breweries, which supplied over 100,000 hotels and similar establishments. Of the total output of 13,000,000 hectolitres, 11,750,000 went to satisfy home requirements, while 1,250,000 were exported to foreign countries. This total output of 13,000,000 hectolitres represents 99.8 litres per head, as compared with 56,000,000 hectolitres or 124 litres per head in England; 15,000,000 hectolitres or 39 litres per head in France; 9,500,000 hectolitres or 7 litres per head in Russia, and 500,000 hectolitres or 1½ litres per head in Italy. Of the total output in Austria, Bohemia produced 46.1 per cent, Moravia 7.6 per cent, Silesia 2.9 per cent, according to the statistics for 1913/1914. Slovakia produced, during the same period, 8.1 per cent of the Hungarian output. During the war the beer-brewing industry suffered greatly through an insufficient supply of malt, and as in the later period of the war only sugar-beet could be used as a raw material, the production decreased gradually from the above amount to 10,536,929 hectolitres in 1913, 9,681,477 hectolitres in

1914—15, 6,322,140 hectolitres in 1915-16, 1,357,962 hectolitres in 1916-17, and to 1,623,443 hectolitres in 1917-18, in which period only 450 factories were at work, and the production was only 12 per cent of the pre-war capacity.

The beer-brewing industry was in a most critical position at the time of the coup d'état (October 1918), and welcomed the establishment of the Czechoslovak State. A Brewers' Commission was formed, which



The Brewery Plzeň (Pilsen).

took all the necessary steps for improving the production. Considerable quantities of raw material, to the value of 54,000,000 Czech crowns, were allotted to the industry for the period 1918-1919. The results during this period were favourable, the production increasing to 3,875,520 hectolitres (as compared with 1,623,445 in 1917-18), an amount which is, however, only about 30 per cent of the pre-war level. Under the present conditions, 150,000 to 160,000 hectolitres of beer can be exported. Special attention is given to the export trade by 40 breweries in Bohemia, 5 in Moravia and 2 in Silesia. The largest of them is the „Měšťanský pivovar“ (Municipal brevery) at Plzeň, famous for its „Prazdroj“ beer, the production of which amounted to 1,019,645 hectolitres in 1913,

551,360 hectolitres of which were exported to the entire world in the same year. The output for 1920 is estimated at 5,500,000 hectolitres.

The beer-brewing industry flourishes particularly in Bohemia and Moravia which both produce excellent barley admirably adapted for the purposes of this industry. The same applies to the celebrated Žatec (Saaz) hops, to which reference has already been made.

The Czechoslovak breweries contributed 90 per cent of the total export of beer from Austria. The greater portion was supplied by the Plzeň (Pilsen) breweries. The country which consumed the greatest quantity of Bohemian beer before the war was Germany, 400,000 hectolitres being exported there annually. Considerable quantities were also delivered to the United States, Italy, Egypt and Switzerland. During 1920, 29,068 tons of beer were exported. In this period Germany purchased 12,120 tons, and Austria 13,747 tons.

#### 7. THE LIQUOR INDUSTRY, PRODUCTION OF ALCOHOL, AND WINE TRADE.

The Czechoslovak liquor industry, relying upon an excellent agricultural activity (potato growing) was rapidly developing before the war. The industry suffered very much during the war, but under present conditions it is quickly recovering, and Czechoslovakia is already in a position to export considerable quantities of alcoholic liquors as well as rectified spirit.

During the period 1919/1920 the Republic contained 1131 distilleries with 18,000 workers. Many of these are smaller agricultural undertakings, but, in addition there is a considerable number of large and up-to-date factories, especially in Slovakia. The factories may be classified as follows: 1,052 agricultural distilleries, 7 agricultural distilleries combined with refineries, 5 industrial distilleries, 34 industrial distilleries combined with refineries, 17 refineries, and 16 yeast factories. In 1918/19 the production amounted to 380,827 hectolitres. This quantity, however, is scarcely a third part of that produced before the war. In 1914-15, for instance, Bohemia alone produced 452,630 hectolitres (Moravia 214,496, Silesia 71,478 hectolitres). The following figures indicate the pre-war output and exports of the industry: (excluding Slovakia):

	Output	Exports
	hectolitres	
1901—02 . . . . .	737,630	200,260
1905—06 . . . . .	717,025	281,497
1910—11 . . . . .	680,036	201,367
1912—13 . . . . .	750,474	220,862

The output for 1920/21 is estimated at 650,000 hectolitres.

As to the quantity of spirits produced, the output of Czechoslovakia amounted to 40.67 per cent of the total yield in the whole Austro-Hungarian Empire, if the average annual output of 1909—1913 is taken as a basis. The annual production in the territories forming the present Czechoslovak Republic, as compared with the total Austro-Hungarian output during the period in question is shown by the following figures:

	C z e c h o s l o v a k i a					per cent	Austria-Hungary
	Bohemia	Moravia	Silesia	Slovakia	Total		
Total quantity produced in hectolitres	438,964	189,580	82,020	450,577	1,161,147	40.67	2,854,409
Quantity produced per head in litres	6.48	7.23	10.85	14.21	8.72	—	5.56

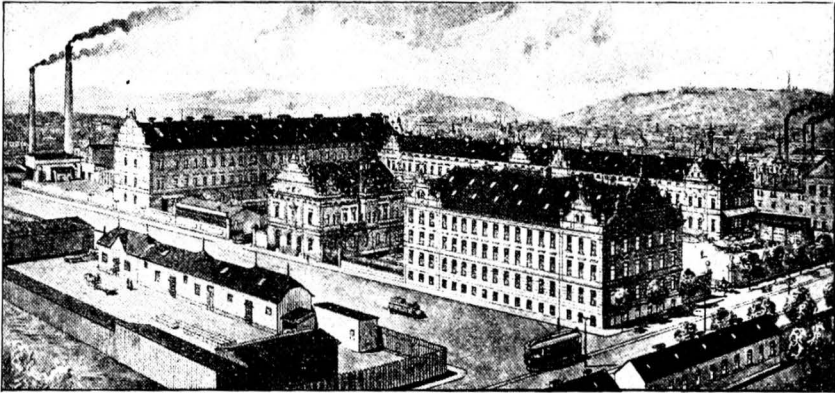
Compared with the liquor production for the whole world, that of Czechoslovakia stands fifth in order as regards amount, but first if the quantity per head is taken as the standard. The average annual liquor production for the whole world during the period 1909—13 was as follows:

C o u n t r i e s	Total hectolitres	Per head litres
Russia (European) . . . . .	5,688,563	4.35
Germany . . . . .	3,632,684	5.60
France . . . . .	2,699,400	6.97
England . . . . .	1,192,643	2.63
Czechoslovakia . . . . .	1,161,141	8.72

The largest distilleries use molasses as raw material; potatoes and beet are used by the agricultural undertakings, especially in the Tábor and Německý Brod districts in Bohemia, the Jihlava district in Moravia and in Slovakia. The industrial distilleries also produce potash, which is in great demand by the extensive Bohemian glass industry. In 1917 and 1918, 18,000 metric tons of potatoes and 51,800 tons of beetroot were consumed. The industry is distributed all over the country, but Greater Prague and the districts of Karlovy Vary, Plzeň, Tachov, Teplice, Kolín, Brno, Olomouc, Mor. Ostrava and Opava may be regarded as the chief centres. The Czechoslovak distilling industry is well orga-

nised, and all the producers amalgamated either in the "Federation of Czechoslovak Alcohol Manufacturers and Spirit-refiners in Prague" (Svaz československých průmyslových lihovarů v Praze), or in the Agricultural Distilleries Association.

An important branch of the spirit industry is comprised in the *yeast manufacture*, which during the period 1919—1920 was carried on by 16 yeast factories. At the time of writing, a new factory is being established at Dioszeg, Slovakia, which will be one of the biggest under-

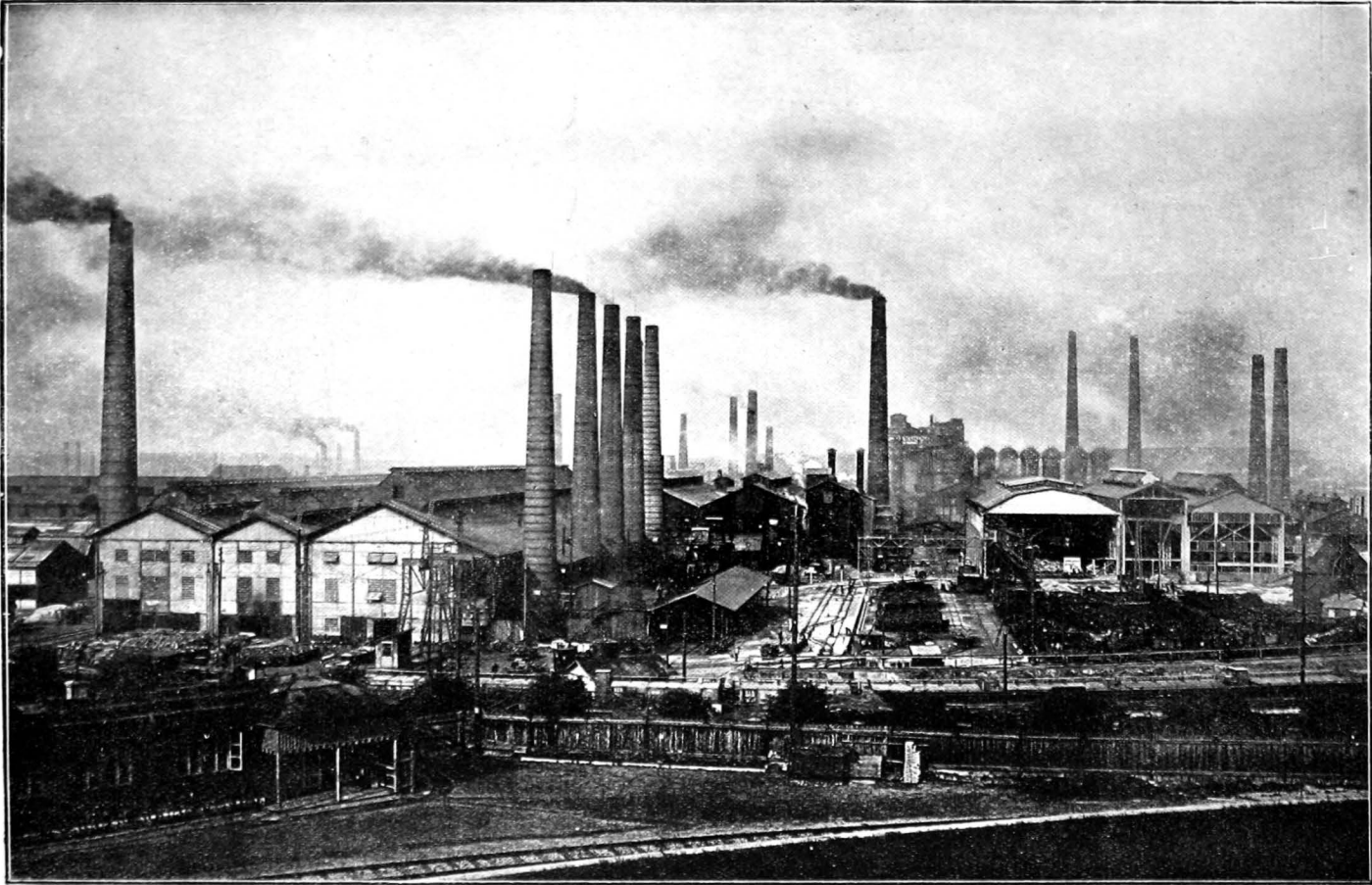


The Chocolate Factory "Orion" in Prague.

takings in the Republic, with an annual output of 1,000 tons of yeast. In addition there are 30 large industrial establishments which produce *liqueurs* and 24 factories producing *fruit wines* (with an annual output of 10,000 hectolitres).

*Wine trade.* Before the war the wine production ranged from 600,000 to 800,000 hl., a small quantity of which was exported. The Bohemian wines (Mělník) as well as the Slovak varieties are well-known. The vine area comprises the Mělník, Litoměřice and Prague districts in Bohemia, the Znojmo, Hustopeč, Bzenec and Mikulov districts in Moravia, and the Bratislava, Nitra, Ostřihom, Komárno, Hont, Zemplín, Abauj-Torna districts in Slovakia, together with the Užhorod district in Carpathian Ruthenia. The home production is inadequate, and a considerable quantity of wine is therefore imported. In 1920 the import of wine to Czechoslovakia amounted to 1,600,000 hectolitres, the home production being only about 452,000 hectolitres. Of this quantity 9,700 hectolitres were produced by Bohemia, 190,000 hectolitres by Moravia, and 252,000 hectolitres by Slovakia and Carpathian Ruthenia. The annual quantity normally consumed in the country is estimated at about 2,187,000 hectolitres.



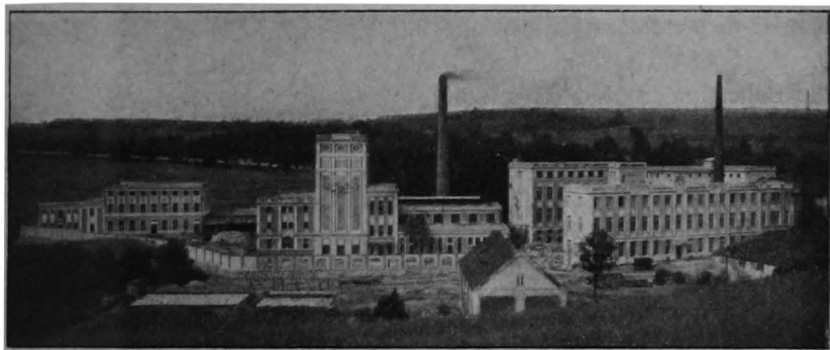


Iron works at Kladno.

## 8. OTHER AGRICULTURAL INDUSTRIES.

Of the other agricultural industries in Czechoslovakia, special mention should be made of 128 *starch* factories, 20 syrup and glucose factories and 11 factories for the production of dextrin and gum. The output was as follows: 21,600 tons of starch, 18,500 tons of syrup and glucose and 8,500 tons of dextrin, making a total of 48,600 tons, 23,900 tons of which were exported. There were 2,800 workmen engaged in these industries.

There are 40 establishments for the preparation of *chicory*, producing annually about 60,000 tons of dried chicory root. The average area in Bohemia and Moravia planted with chicory during the years 1904—1913 was 5.155 hectares. The corresponding figures for



The Factory Vydra, Prague.

Belgium were 7,865 hectares, for France 9,827 hectares in 1912, and for Germany 6,400 hectares in 1914. Coffee substitutes, prepared from rye and barley, are produced in 28 establishments with an annual output of 20,000 tons. The preparation of chicory is carried on in 40 establishments with an annual output of 32,000 tons, a part of which is exported to eastern Europe.

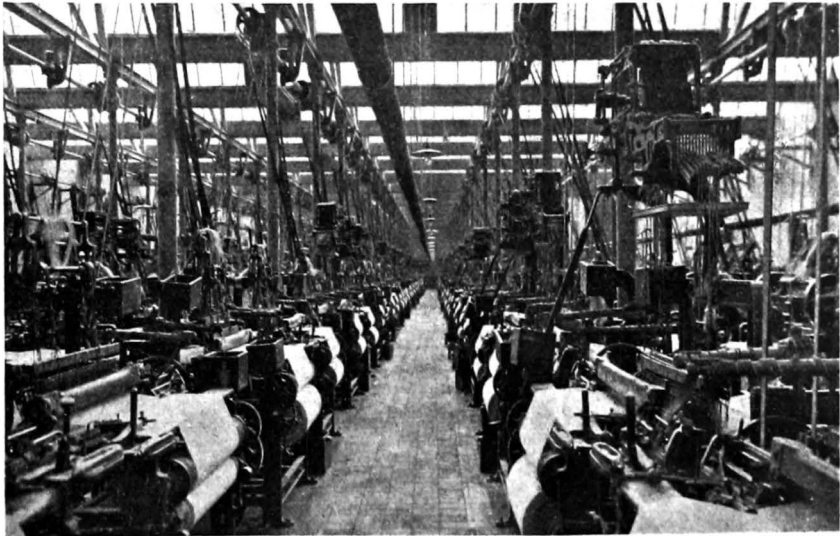
The production of food-stuffs is specially facilitated in Czechoslovakia by the abundance of sugar and fruit. There are 80 factories for the production of *confectionery*, and 25 of these manufacture chocolate in addition. The present output represents 35 per cent of that before the war (40,000 tons), half of which, consisting mainly of superfine confectionery, is available for export. This industry was associated before the war with the manufacture of fancy cakes; this was suspended during the war, through lack of flour. Under normal conditions, a large quantity of fancy biscuits is exported.

In Bohemia *fruit* is grown chiefly on trees scattered along the borders of fields where other crops are cultivated; and orchards devoted

entirely to fruit trees are rare. In 1913 the Bohemian production (exclusive of grapes) was 206,132 metric tons. In this production the Bohemian lowland easily took the lead, yielding 94,689 metric tons, or 45.9 per cent of the total. The apples and pears include the best-known English varieties. In normal times the agricultural schools tried to make the growers plant the kinds of fruit that were marketable in Germany and London. Companies have been formed at Aussig for the drying and preserving of fruits, and care has been taken to adopt modern methods. The chief export of fruit was to Germany. Plums and other stone-fruit were sent by rail and river to Berlin, Hamburg, Dresden and other large towns. Dessert fruits, packed in baskets, were exported in large quantities to Russia, especially to Moscow and Petrograd, and also to Norway and Sweden, dried plums were sent to the United Kingdom. The centre of the export trade was Lobositz on the Elbe, in the district of maximum fertility. In 1912, a remarkably good year, 26,374 metric tons of fresh and preserved fruits were sent down the Elbe to the Bohemian frontier for export.

*Milling* is now carried on largely by steam-mills, but there are also several thousand water-mills, especially in Slovakia, capable of grinding 2,200,000 tons of wheat and rye, and half a million tons of barley per year. Recently, many large bakeries were established for the production of rye-bread.

The manufacture of *preserves*, which was insignificant before the war, has made great progress since 1915. Today there are 420 establishments, 40 of which are on a very large scale, with a capacity for pro-



The interior view of the Spinning Mills at Náchod.

ducing 36,000 tons of preserves annually. This industry is under Government control as regards the quality of the goods produced, and is likely to occupy an important position in the world-market. Preserved fruits are prepared in 5 large concerns, while 77 factories, 11 of which are on a large scale, are occupied with the preparation of fruit juices. Their output amounts to 3,800 tons, three-quarters of which can be exported. Jam-making, which is now carried on in 400 factories, has greatly developed in recent years, large quantities of jam now being available for export.

In its industrial and co-operative *dairies*, Czechoslovakia produces large supplies of butter. These dairies are to be found throughout the country in every village where farm-produce is obtained. Their function is to collect the milk from the farms, to separate the cream with centrifugal apparatus, and to ensure its proper maturing in special rooms. In this way, butter of excellent quality is obtained. The pre-war output amounted to about 56,000 tons of butter and 8,000 tons of cheese.

There are 24 breweries for the production of *cider*, the total annual output amounting to 10,000 hectolitres, a great part of which is exported. The production of brandy was suspended during the war, but it will be partially resumed in the course of this year. There are 30 large establishments for the production of Czechoslovak liquors, and some of the superior brands, such as Griotte, Sagavir, and Vegetal, are exported.

In the districts of Hradec Králové and Olomouc there is an annual production of 8,000 tons of *sauerkraut*. The cucumbers and gherkins of Znojmo are noted for their good quality. Various kinds of cured meat are also extensively produced. A large export trade is carried on especially in *Prague hams*, for the manufacture of which 1 million pigs are imported from abroad, in addition to the home supply. There are 11 establishments for the manufacture of preserved fish, imported from the North Sea and the Baltic.

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## CHAPTER V.

### INDUSTRIES. PART II.

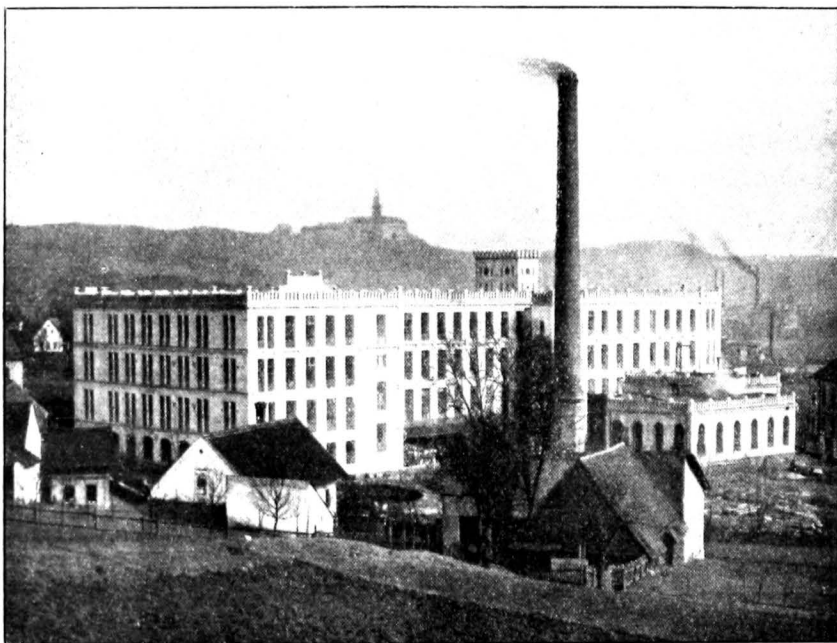
#### 1. TEXTILE INDUSTRY.

As a result of long research, the Czechoslovak textile industry has been highly developed, and is today a very important factor in the industrial life of the Republic. It comprises about 80 per cent of the former Austro-Hungarian textile industry, and it is therefore evident that for its full maintenance it needs large quantities of raw materials, which have to be imported from abroad. This especially applies to the cotton industry, which is the most important branch of the Czechoslovak textile industry, but also the wool and flax industries have to import large quantities of raw materials, as the home production is insufficient.

At the end of the war the textile industry was in a very difficult position. There were no raw materials, nearly all the large factories were closed; a small part of the undertakings produced paper yarn. The only mills at work were those occupied with waste fabrics. Since the foundation of the Republic, all efforts have been directed towards providing the industry with cotton and wool. It is true that the conditions have improved during the last two years, but they continue to be precarious, as this industry, depending as it does, largely upon raw materials which must be imported from abroad, is at the same time pre-eminently an export industry, and therefore has not been spared the consequences of the present economic crisis throughout the world.

During the first quarter of 1920 the *Cotton* industry was employed to over one third of its capacity, and all its products fetched satisfactory prices. Later on the situation changed for the worse, and towards the end of the year, and at the beginning of 1921 the industry suffered through a serious stagnation. There are, however, already signs of recovery. The cotton industry is concentrated in the north-east of Bohemia and in Slovakia. It comprises 86 spinning mills with 3,565,000 spindles, which deal with about 190,000 tons of cotton annually. In addition there are 450 cotton-weaving factories with 130,000 mechanical looms. Besides this there are 20—30,000 hand-looms. Of the 220 pattern-printing machines of the former monarchy, 170 are now in Czechoslovakia.

The *Woollen* industry is concentrated at Brno, (Brünn), well-known for its cloth trade, and in the north-east of Bohemia, the chief centre being Liberec, (Reichenberg). The industry comprises 71 mechanical spinning mills with 800,000 spindles for carded yarns, 10 mechanical spinning mills with 400,000 spindles for worsted yarns, and 280 weaving mills with 34,000 looms which deal with about 31,000 tons of washed wool annually. The number of sheep amounted to 1,346,107 in 1910, but during the war it decreased and in 1919 there were only 720,062. Thus



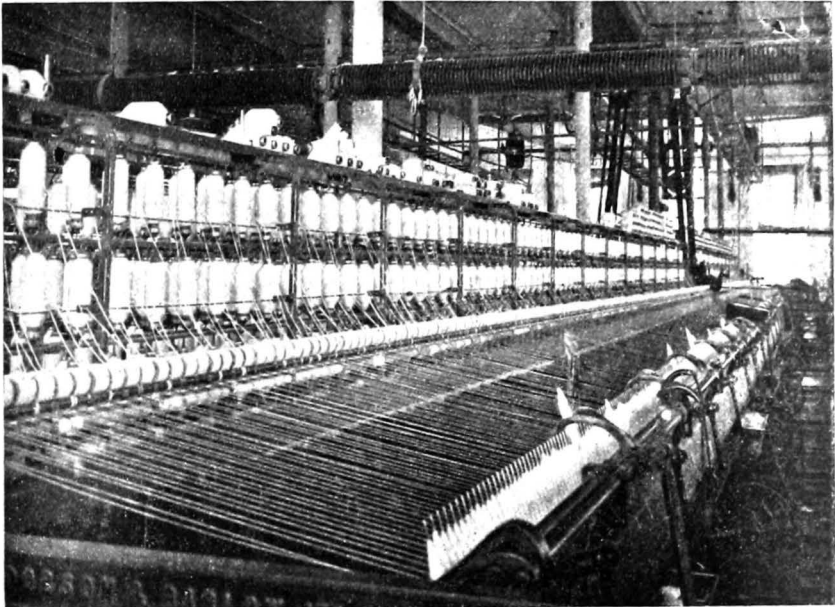
Spinning Mills, Náchod.

during the latter year the home supply of unwashed wool may be estimated at about 1,440 tons, if 2 *kg* of unwashed wool is taken as a standard yield per sheep. It is therefore evident that large quantities of raw materials have to be imported from abroad.

The *Flax* industry comprises 26 spinning mills with 284,793 spindles, 140 weaving mills with 11,000 mechanical and 5,600 hand looms, and a number of smaller undertakings with 7,600 looms. During 1920 the industry was employed to about one fifth of its capacity. In 1920 the home production of flax supplied 13,077 tons of flax fibre. The flax industry has its centres chiefly in the northern part of Bohemia, Moravia and Silesia.

The *Jute* industry comprises 9 spinning mills with 34,844 spindles which deal with 40,000 tons of jute annually. These spinning mills are

run in connection with weaving mills having 1,700 looms, to which must be added 11 independant weaving mills with 1,880 looms. Altogether the jute industry thus comprises 3,580 looms. In 1920 the *Silk* industry with 53 mills and 14,221 looms was employed to about 15—20 per cent of its capacity. The industry is located in northern Moravia, in Silesia and in north-eastern Bohemia. *Hemp* is dealt with by 18,241 spindles and 880 looms (hemp and jute). About 10,000 workmen are engaged in the manufacture of jute and woollen *carpets*. The chief centres of this



Spinning Mills at Náchod.

industry are located on the Czecho-Moravian plateau, in the north of Bohemia and at Brno. *Lace and embroidery* are produced chiefly in the east of Bohemia, (Vamberk), in the Ore Mountains, and in Slovakia. Výprty (Weipert) and Kraslice (Grasslitz) are well-known for their lace. Both Bohemian and Slovak lace have a good name abroad. In the north of Bohemia (Asch), Krásná Lípa (Schönlinde), in Moravia (Příbor, Klokočov, Freiberg-Klogsdorf) and in the Czecho-Moravian plateau there is an extensive *hosiery* industry. About 27,000 workmen are employed in the manufacture of lace and hosiery.

According to Prof. Pfohl's statistics, the Czechoslovak textile industry employs 277,008 workmen distributed as follows: cotton 121,477, wool 64,946; flax 33,959; hosiery 27,267; silk 14,841 refining 24,936. The following districts have more than 3,000 workmen engaged in the textile industry: Brno, (Brünn), Liberec, (Reichenberg), Asch, Warnsdorf, Ru-

žomberk, Krnov (Jägendorf), Králové Dvůr (Königinhof), Šumperk (Mhr. Schönberg), Náchod, Úpice (Eipel).

The clothing industry flourishes in the centre of Moravia (Prostějov), the number of workmen engaged being 20,000. Men's *underclothing* is produced by 14 large concerns and about two-thirds of the total production is exported. Women's underclothing is produced by about 150 concerns, about half the output being exported, mainly to Russia, Serbia, Switzerland and North America. The manufacture of felt *hats* is carried on by 5,500 workmen, half the output being exported. Woollen hats are produced in 20 concerns with 3,500 workmen, two-thirds of the output being exported. Straw hats are produced by 1,200 workmen, half the output being exported.

The following figures relate to the export and import trade for the first half of of 1920: (in metric tons)

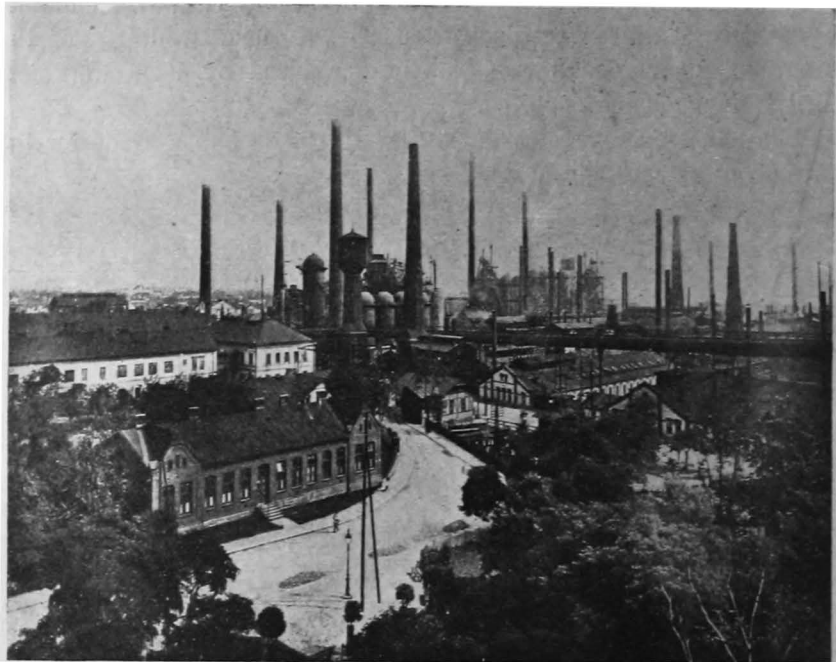
	COTTON		WOOL		FLAX	
	as material	manu- factured	as materia	manu- factured	as material	manu- factured
<b>Imports:</b>						
Total . . . . .	34,680	4,344	4,735	1,155	9,114	848
United States . . . .	15,454	41	27	4	87	114
Germany (incl. Hamburg)	4,243	167	103	79	1,234	131
Italy . . . . .	2,129	2,107	537	16	494	61
Austria . . . . .	1,582	662	39	379	1,057	267
<b>Exports:</b>						
Total . . . . .	224	1,762	82	1,997	153	5,146
Austria . . . . .	31	698	51	644	59	2,805
Germany . . . . .	20	233	5	518	55	1,138
Rumania . . . . .	—	67	3	87	7	52
Great Britain . . . .	—	57	—	167	—	42

The official statistics for the whole of 1920 have not yet been published, but the preliminary estimates are indicated by the following figures: the imports of cotton amounted to 1,083 million crowns, or 9.5 per cent of the total imports, the imports of wool, woollen yarn and goods to 782 million crowns, or 6.9 per cent of the total. The exports of cotton, cotton yarn and goods were valued at 414 millions (4.3 per cent), the exports of wool, woollen yarn and goods at 990 millions (10.3 per cent of the total), and the exports of ready-made clothing at 370 million (crowns. 3.9 per cent).

The principal markets for the Czechoslovak textile industry are Austria, Germany, Rumania, Jugoslavia, Hungary, Bulgaria, Russia, Turkey, Egypt, India and the Far Eastern countries.



Every branch of the industry is organised in special Unions, which are concentrated in two central associations, namely, the Spolek československých průmyslníků, Prague, (The Association of the Czechoslovak Textile Manufacturers), and the Allgemeiner deutscher Textilverband, Reichenberg. The Czechoslovak cotton industry is an affiliated member of the International Federation of Master Cotton Spinners' and Manufacturers' Associations. As regards the number of spindles, Czechoslovakia stands sixth in order among the European States and eighth in order

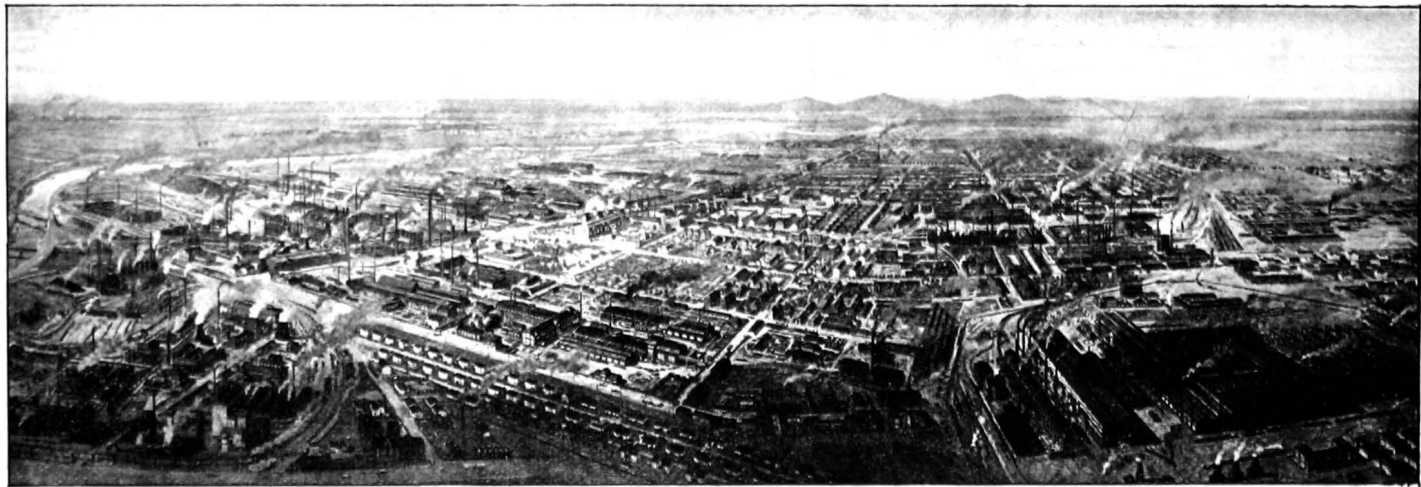


Vitkovice. Ironworks.

among the 20 textile manufacturing countries of the world. As regards the average number of spindles per head, Czechoslovakia is surpassed only by Great Britain.

## 2. METALLURGY AND METAL INDUSTRY.

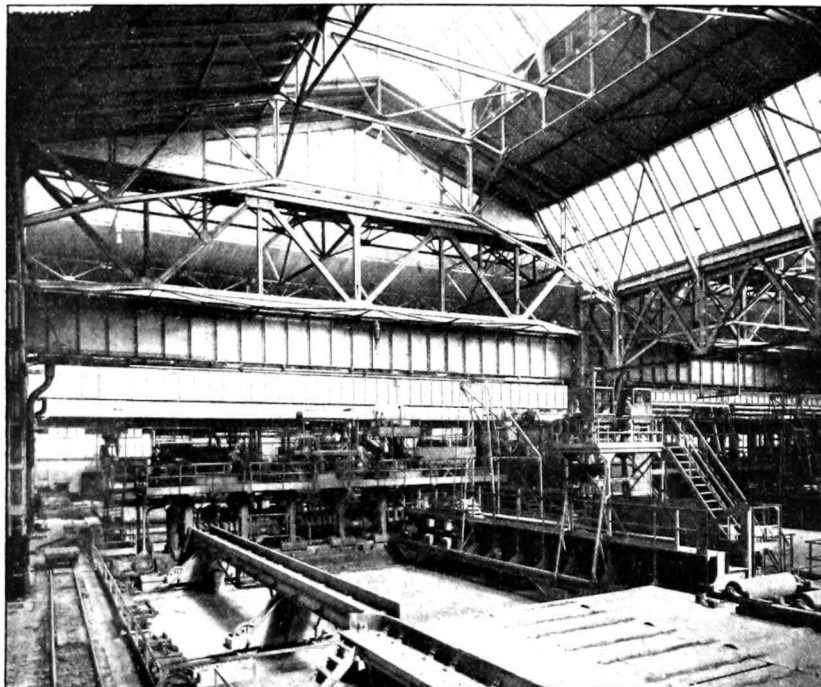
Though the Czechoslovak iron works are mostly modern and up-to-date, the insufficient home production of iron-ore with the consequent necessity of buying it in foreign countries, resulting in heavy expense for purchase and transport, is the great disadvantage under which the *iron and steel industry* is suffering, and which renders competition with other countries very difficult. Realising this, the industry seeks to counter-balance the disadvantage by amalgamations of interests, better export



Iron works at Vitkovice.

organisation and specialisation of production. The annual productive capacity of the steel and iron works comprised in the Republic, is estimated at 1,500,000 tons of steel and 1,700,000 tons of raw iron. The blast furnaces are at Kladno (4), Král. Dvůr (4), Komárov (2), Stará Huť (1), Vítkovice (8), Třinec (3), and the Spiš, Zvoleň and Gemer districts in Slovakia (20).

The steel production in Czechoslovakia for 1920 amounted to 972,976 tons, including 163,663 tons, or 16·82 per cent of Bessemer and Thomas



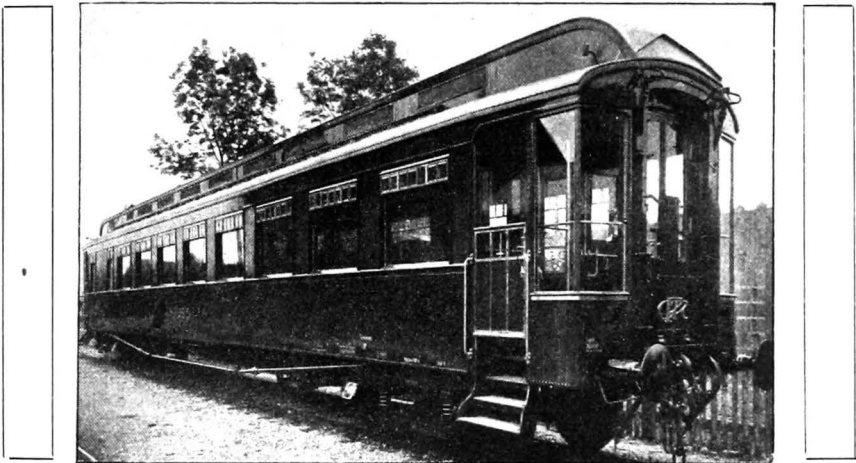
Vitkovice. Rolling Mill.

Steel, 792,794 tons, or 81.48 per cent of Martin Steel, and 16,519 tons, or 1.70 per cent of Electric Steel. In comparison with 1919, when the output amounted to 786,022 tons, the production has increased by 186,954 tons, or 23.8 per cent. This increase is due to the fact that the steel works, especially in Slovakia, are better provided with coal than in 1919.

During 1920 the total imports of iron and iron goods into Czechoslovakia amounted to 117,886 tons, including the following countries of origin: From Austria, 45,707 tons; Germany, 42,942 tons; the Silesian plebiscite area, 9,682 tons; Sweden, 5,079 tons; Great Britain 4,281 tons. During the same period Czechoslovakia exported 163,926 tons of iron and iron goods, including the following: To Austria, 58,471 tons; Ger-

many, 14,200 tons; the Silesian plebiscite area, 9,510 tons; Italy, 9,624 tons; Hungary, 13,221 tons; Poland, 26,323 tons and Jugoslavia 8,684 tons.

The Czechoslovak *engineering industry*, which forms nearly 80 per cent of the pre-war engineering industry of Austria-Hungary, is highly developed and well organised. It competes successfully with corresponding products of foreign industries, and as regards agricultural machinery (motor ploughs), installations for sugar factories, breweries etc., it occupies a foremost position in the world market. In addition to this,

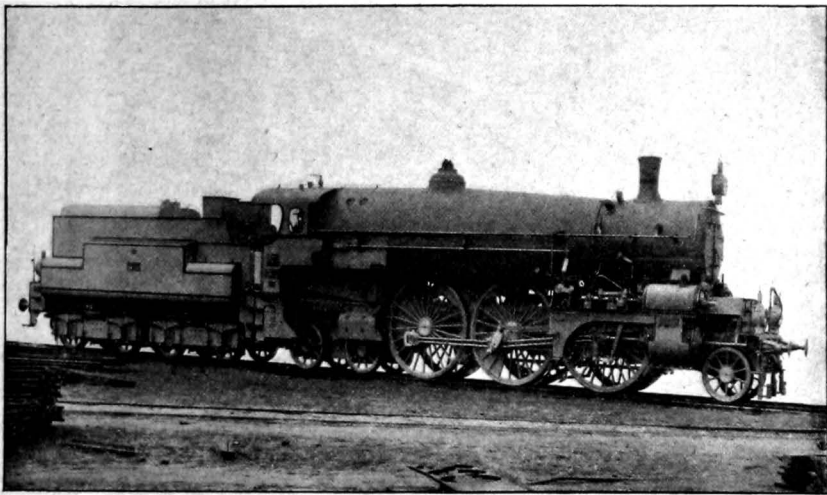


Four windowed Pullman Car made by the Kopřivnice Construction Works.

the following are also produced: motor-cars and motor-lorries, steel and iron lathes, planing machines, and machine tools in general, naphtha and benzine motors, steam boilers, piston and turbine steam and water engines, installations for chemical factories, machinery for working coal-mines and naphtha wells, textile machinery, bridges, roofing and all iron building accessories, dynamos, electro-motors, transformers, and all appliances for electro-technical installations. The industry employs about 280,000 hands, and the annual output is estimated at 1,000,000 tons. It is distributed throughout the whole country, but Prague, Plzeň, Hradec Králové, Brno, Prostějov and Ostrava may be regarded as the chief centres.

The manufacture of *agricultural machines* is greatly developed in Czechoslovakia, and there is a considerable export to the countries of eastern and southern Europe. There are 145 firms engaged in this industry, which in normal times employs 40,000 hands. The greatest development has been in the production of ploughs, harrows, rollers, weeders, drills, seeders and grain harvesting machines. A large part of

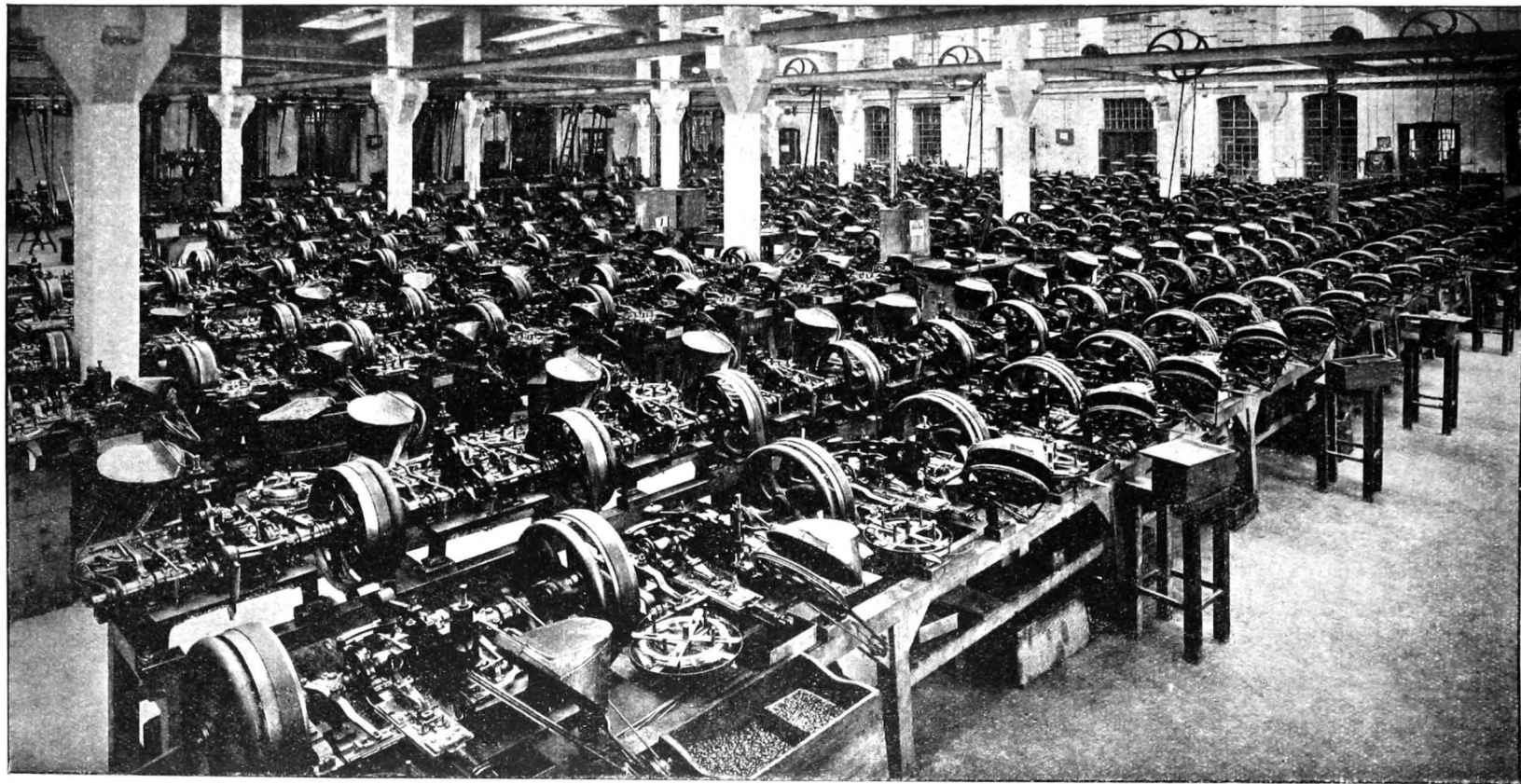
the total output of these implements is exported. All sizes of threshing machines, potato gatherers, locomobiles and internal combustion engines, wind and water motors are also manufactured, and the production covers the home demand. The same may be said of corn reapers with automatic sheaf-binders, which are manufactured by one factory. Beet-gathering machines with automatic stalk-cutters, however, are not produced in the country and have to be imported from abroad. With regard to miscellaneous agricultural implements, there may be mentioned all kinds of pumps, chaff-cutters, beetroot choppers and fodder machines, all of which are manufactured to a considerable extent both for home demand and export. The factories are situated in the centre of Bohemia,



Locomotive: Made by the Bohemian-Moravian Works at Prague.

including Greater Prague and Roudnice n. L. to the north, Brandýs, Čejkovice and Lysá to the north-east, in the Jičín and Kr. Hradec districts, in Přerov, Prostějov, Blansko and Nový Jičín in Moravia, and Lučeneč and Trnava in Slovakia.

A successful development of the Czechoslovak *motor-car* and *motor-plough* industry was shown at the International Automobile Exhibition held at Prague in June last. A considerable number of motor-cars, commercial vehicles, cycles, motor-ploughs and tractors of well-known makes, such as Praga, Laurin and Klement, Tatra, Minerva, Walter, Škoda, Start, Tap etc. were exhibited. The show, which included also French, American, Italian, Belgian, Austrian and German products (Berliet, Citroen, Fiat, Ford, Daimler, Opel etc.), was very successful, and the industry has been able to form new business relations and to consolidate connections already in existence. The output of this industry



The Factory of Buttons and small metal articles „Koh-i-nor“ Waldes & Co, Prague.

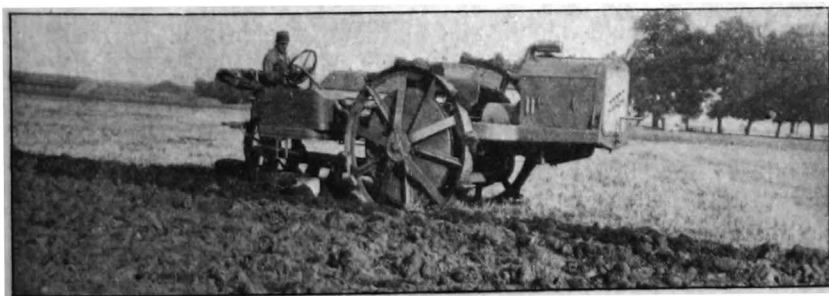


is much higher at present than it was before the war. The production of motor-ploughs in particular has considerably increased (the Škoda Works, for example, are able to produce 200 motor-ploughs or tractors, annually), and it now forms a considerable item of export trade. A great number of motor ploughs have been delivered to France and Algiers. At Chartres, France, an international competition was held last year, at which the Czech motor-plough "Praga" outstripped all its French, English, American and Italian rivals and was awarded the first prize. The cars as well as the motor-ploughs "Praga" and "Excelsior" of Czechoslovak make are well-known, and the above, mentioned event supplied new evidence of their efficiency.

The annual output of *railway engines* and other *rolling stock* amounts to 300—350 engines and 12,000 carriages and trucks. There is a surplus for export in normal times. The engines are being supplied by the Škoda Works, Plzeň, The Czecho-Moravian Machineries, Prague, and The Amalgamated Machineries, Prague, the carriages and trucks by the Ringhoffer Works, Prague-Smíchov, The Kopřivnická vozovka, (The Kopřivnice Waggon Factory), Kopřivnice, The Studénka Waggon Factory, Studénka, and The Brno-Kr. Pole Machine Factory, Královo Pole.

As far as the *enamel-ware industry* is concerned, Austria-Hungary was, next to Germany, the largest manufacturing country in the world. About 12,000 workers were employed in this trade, and the annual output of the Austrian enamel-ware factories aggregated 50 million kilogrammes. About 40 per cent of this quantity was absorbed by home consumption, whilst the balance was exported. Today 26 factories for enamel-ware are situated on Czechoslovak territory. It is estimated that these factories are capable of an annual output of 40 million kilogrammes, of which amount 34 million are expected to be available for export. The industry is located at Čes. Budějovice, Brno, Prague, Plzeň, Hořovice, Frýdlant, Lučenec, Filakovo, Bratislava etc.

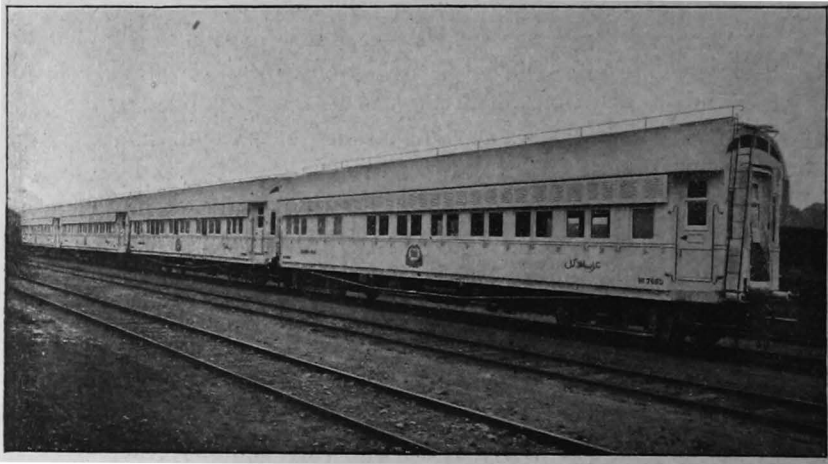
*Buttons and small metal articles* such as needles, clips, buckles and nibs, are manufactured extensively. In addition, there is a large home



Motor plough „Praga“.

industry especially for thread buttons. The annual output amounts to 4,000 tons, the greater part of which is exported. The manufacture of buttons is concentrated in Greater Prague, round Podmokly (Bodenbach) and in Silesia. Needles are manufactured at Prague, Jablonec (Gablonz) and near Podmokly. Accessories for the foot-wear industry such as rivets, nails etc. are made at Prague. There are about 70 industrial undertakings for the manufacture of small metal articles, employing about 7,000 hands.

The *ship-building* industry has its centres in Prague, Ústí (Aussig) and Komárno.



Train de Luxe for Egypt. Made at the Ringhoffer Works, Smichov, Prague.

The *aeroplane* factories are at Prague and Plzeň.

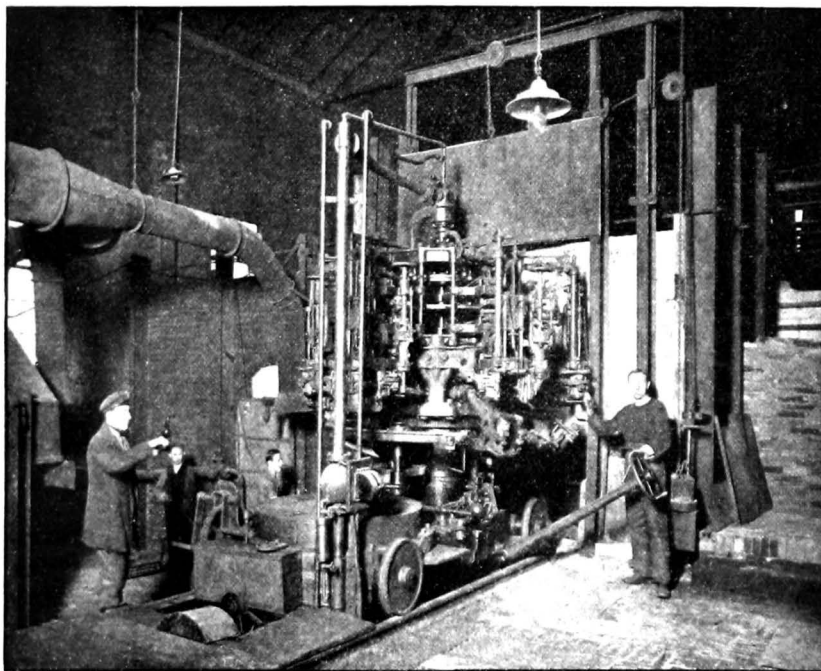
The raw materials for the iron and engineering industry are mostly imported from abroad. This applies especially to copper, nickel, ferromanganate, aluminium, vanadium, chromium, india-rubber, asbestos, carborundum and oils, and partly to iron-ore, raw iron, ferro-silicon, lead and zinc. The export of Czechoslovak machines to Germany, France, the French colonies and Italy, shows that Czechoslovak products can successfully compete with those of the best foreign makes. The Balkan countries, where special warehouses have been established, Hungary and Russia, form the most important markets. For the purpose of trading with Russia a special export company was founded on January 1<sup>st</sup>, 1921, in which the Škoda Works, The Amalgamated Machineries the Czecho-Moravian Works, Kolben, Laurin and Klement, Becher's Works, Melichar and Umrath, Kovářik and Wichterle are represented, and two agencies have already been established, one in Kishinev (Bessarabia), the other in Riga (Lettland). Conferences with a view to another amalgamation of interests, for the purpose of facilitating the export trade, are just taking place



between the three most important companies viz., the Vítkovice Iron Works (Witkowitz Eisenwerke), The Mining and Iron Company and the Prague Iron Company. The industry is organised in the Sdružení průmyslu kovodělného, Prague, (Association of the Metal Industry) which on January 1<sup>st</sup>, 1921, comprised 289 firms.

### 3. THE GLASS INDUSTRY.

The Czechoslovak glass industry will compare most favourably with that of any other country, both as regards the quality as well as quantity

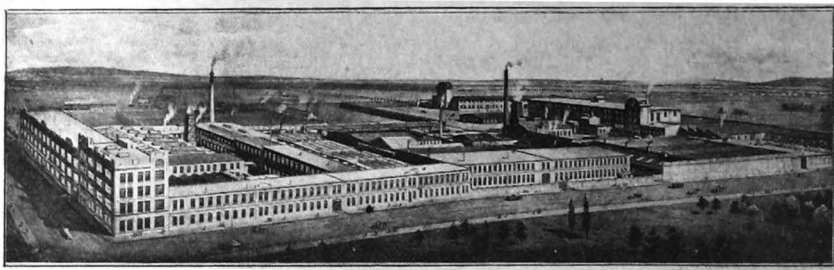


Making bottles by machinery. "Ovens" machine in the Glassworks of Fischmann & Sons, Malý Újezd.

of its products. It is estimated that about 90 per cent of the glassworks of the former Austro-Hungarian Empire are situated on the territory of the Republic of Czechoslovakia. Bohemia has long been known for its glassware, but it is in recent years that the industry has made unusual progress, the primitive wood-burning ovens located in forests being replaced by large modern glassworks with up-to-date machinery. At the present time only 15 glassworks use wood as the chief fuel, 103 use coal exclusively and 23 both wood and coal. The chief centre of the industry is therefore the sandy districts near the coalfields of north-western Bohemia, while the older works are located near forests. Among

these are: Jablonec (Gablonz) district for fancy goods, the Bor-Kam. Senov (Haida-Steinschonau) district for glass refining. In the Teplice-Ústí (Teplitz-Aussig) district are located most of the big glass factories. In addition to this, glass and glass goods are produced throughout the Bohemian Forest region (Böhmerwald), near Prague, Vsetín, Šumperk, Trenčín, Rimavská Sobota, and in other places.

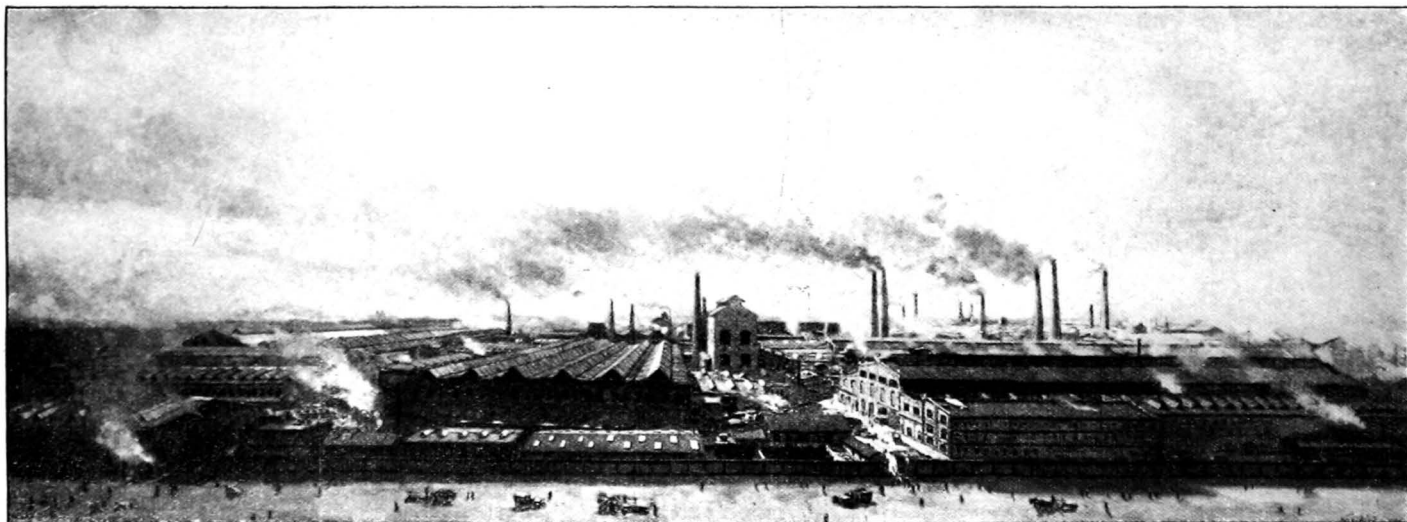
The number of large glassworks at the formation of the Republic was 139. Four large establishments, equipped with the latest machinery, have recently been completed. In addition, there are 17 smaller glass factories producing coloured compositions and special glass. Owing to the great demand abroad for glassware of all kinds, additional capital is being invested in the industry, and over 60 new plants are to be erected in the near future. This will increase the total manufacturing capacity by about 50 per cent.



Motor Car Works Laurin & Klement, Ml. Boleslav.

The glass factories which are not in a position to finish their products pass them on to finishing establishments to be cut, engraved, etched, painted or mounted. There are over 3,600 of these finishing establishments in the Republic. Besides, there is a very extensive home or cottage industry centred around the town of Gablonz, which employs about 60,000 people, who work at home in the manufacture of imitation precious stones, pearls, corals, buttons, bangles, beads, and a variety of other articles under the name of Gablonz ware, which is well-known throughout the world. The glass factories proper employ about 30,000 workmen, and the finishing works an equal number. Over four-fifths of the pre-war production of glassware in Czechoslovakia was exported abroad; at the present time 90 per cent of the total production is exported.

The following table, taken from a report of Engineer J. Soukup, Secretary of the Czechoslovak Glass Syndicate, shows the number of glass works in the different branches of the industry and indicates the varieties of glass production in Czechoslovakia.



Skoda works at Plzeň (Pilsen).

Branch of industry	No. of factories	Branch of industry	No. of factories
Ordinary hollow glass . . . . .	66	Special glass and colour compositions . . . . .	17
Watch crystal glass . . . . .	3	Smooth, ribbed or fluted glass	6
Cast glass . . . . .	19	Brown mirror glass . . . . .	3
Chemical glass . . . . .	3	Photographic glass . . . . .	2
Machine cast glass . . . . .	11	Bottles of all kinds . . . . .	17
Window glass . . . . .	24	Crude glass for the Haida fancy glass industry . . . . .	19
Cut glass . . . . .	52	Glass bars and tubes for the Gablonz industry . . . . .	11
Cast mirror glass . . . . .	4		
Glass for lighting purposes, globes etc. . . . .	24		

About 60 per cent of the total normal production of glass in Czechoslovakia consists of hollow and cast glass of various kinds, about 25 per cent of window, mirror and photographic glass, and 15 per cent of glass bottles. Assuming that the glass works are fully employed, the output is estimated as follows: 420,000 tons of hollow glass, 143,550 tons (17,200,000 square metres) of table glass and 190,000 tons (171,000,000) bottles.

*Hollow and pressed glass* is produced in 58 works using more than 300 tons of coal per month, and in 39 using less than that quantity. This branch of industry is now working on a 60 per cent scale, though even at this rate the monthly production amounts to 20,000 tons. Of this amount 80 per cent is exported, consisting chiefly of ordinary hollow glass, bottles,



Sázava Glassworks. Chemical Glass.

household glass, lamp chimneys, electrical globes, cut and crystal glass, watch-glasses and chemical glass. The output may soon be expected to reach 35,000 tons per month.

*Window glass* (plate and ordinary) is manufactured in 24 works using over 300 tons of coal per month, and in 5 works which consume a smaller amount. These are now working on a 75 per cent scale, and produce 1,200,000 square metres of full-sized window glass, and 4,000

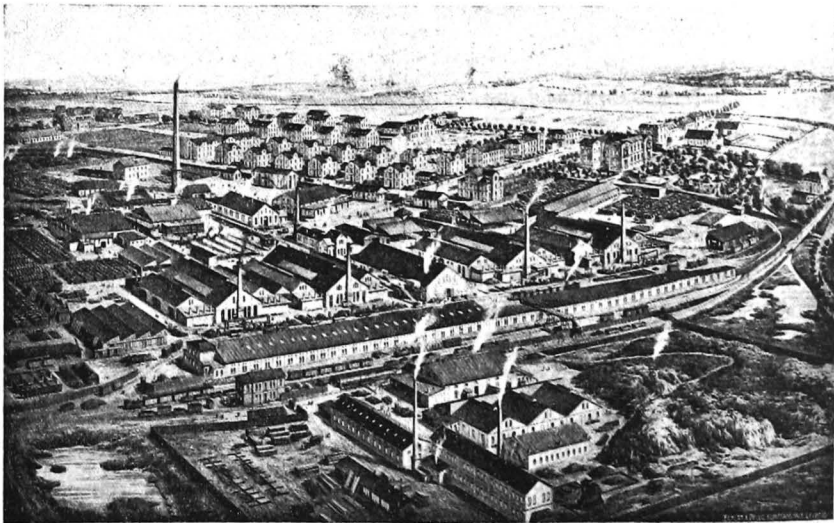
tons of smooth and ribbed glass for building purposes. This production can be increased to 1,600,000 square metres and to 4,000 tons respectively. Of this output 85 per cent is available for export, while photographic glass is produced solely for sale abroad.

*Mirror glass* is produced in 7 factories, 4 of which produce the cast article. They are fitted with the latest machinery, and their product is equal to that manufactured in Belgium. Blown mirror glass is made by hand in 3 establishments. The mirror glass is exported to the amount of 80 per cent, and this branch of the glass industry also works only on a 60 per cent scale.

In pre-war times about 165,000,000 *bottles* of various kinds were manufactured annually in the territory now comprising Czechoslovakia. Of these about 49,500,000 bottles were disposed of in the country itself, leaving 115,000,000 for export. The recent installation of additional machinery from the United States has increased the total capacity to 240,000,000 a year. Owing to the shortage of coal and raw materials only about 60,000,000 bottles were produced during 1919. At present the works are operating at 60 per cent of their capacity.

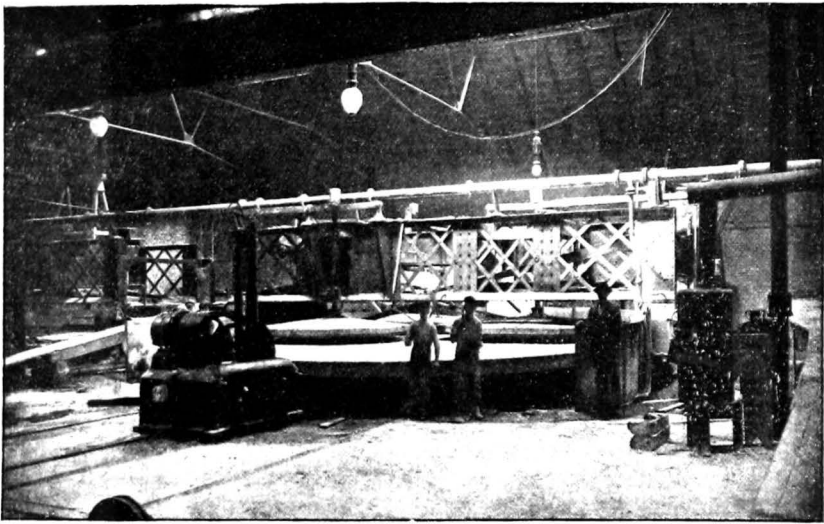
*Fancy glass* comprises a considerable part of the Czechoslovak export trade, 95 per cent being disposed of abroad. The manufacturing centres are in the northern and north-eastern parts of Bohemia chiefly at Bor (Haida) and Kamenny Sanov (Steinschonau). The production of luxury articles is limited to 80 per cent.

*Jablonec (Gablonz) industry* derives its raw materials from 11 large glassworks in addition to the 17 smaller ones already mentioned. The



Neusiedel Glassworks.

factories provide the materials to thousands of homes where practically all the members of the family do work which cannot be done by machines. The most important factories are the glassworks producing glass bars and tubes. Every week the head of the family takes over or buys from the factory between 16 and 44 pounds of glass to be made up at home into finished articles. For this work about a ton of coal and several gallons of oil are required every month. There are also factories, large and small, throughout the district which supplement the work of the home industry, providing other materials besides glass, and manu-



Glassworks Holešov. O. Ziegler & Son. Cutting cast mirrors.

facturing by machinery certain articles in quantities. It is, however, the articles produced by careful handwork which have by their taste and refinement secured the reputation for Gablonz goods throughout the world.

Over 90 per cent of the entire quantity of Gablonz goods are exported to foreign countries, principally to western Europe, North and South America, and the Orient. Before exportation the goods pass through many hands. The home workers sell or dispose of their products to agents who resell to exporters. Since the formation of the Republic, manufacturing and export syndicates have been organised among the workers in the different communities. These syndicates supply the workers with raw material and dispose of the finished articles. During the first part of 1920 the exports of Gablonz goods were valued at about 90,000,000 Czechoslovak crowns a month.

The articles produced by the Gablonz industry are so varied that it is difficult to give a comprehensive list. Most of the articles can be

classed as either imitation precious stones, jewellery, ornaments or fancy articles. The most important line is glass beads of all sizes and colours, and bags or other articles made from beads. Large quantities of bangles are shipped from the Gablonz district to India and the Far East. About 12,000 workers were employed before the war in manufacturing bangles alone. Buttons, cuff-links and clasps are another considerable item of export from Gablonz, especially to North America. Cheap jewellery of all kinds, imitation stones, ornaments, artificial flowers made of glass, millinery ornaments, shoe buckles, boxes, souvenirs of all kinds, picture frames, stained and ornamental glass and numerous other articles made from glass, metal, porcelain, stone or other materials are included among the products of the Gablonz industry.

The Czechoslovak glass industry is still suffering from the unstable conditions prevailing on the world-market. The mainstay of the industry lies in the possession of highly trained and skilled craftsmen who hand down their knowledge of the trade from one generation to another.

Hitherto the *export of glass* was directed mainly to the west and south. In the future the east will also present facilities in this respect. The necessary preparation for this new market have been completed, and trade will be begun as soon as the eastern countries are in a settled condition. At present the Czechoslovak Republic contains more than 600 export houses. The exports in 1919 represented a value of 377,700,000 crowns. The following countries were the chief buyers: Austria 29,905 tons, Italy 6,522 tons, France 6,656 tons, Germany 5,212 tons and Great Britain 1,600 tons. — The respective figures for 1920 were as follows: Austria 38,608 tons, Italy 25,424 tons, Germany 10,121 tons, Great Britain 10,643 tons.

#### 4. PORCELAIN AND POTTERY.

The porcelain industry is located round Carlsbad and the smaller towns and villages of western Bohemia, especially in the Eger valley, between Elbogen, and Teplitz.

The first factories in Bohemia for the manufacture of china were founded in 1790 at Rubensgruen, in 1799 at Klasterec, in 1803 and the following years at Gieshuebel and other places. The industry owes its existence to the rich deposits of kaolin in the district of Karlovy Vary and Kadan. This kaolin is considered to be among the best china clay in the world.

In the west of Bohemia in the neighbourhood of [Karlovy Vary (Carlsbad) there are 68 factories with 17,000 workmen engaged in the production of porcelain amounting to 30,000 tons. The quantity of painted porcelain exported was 7,960 tons, of technical porcelain 4,550 tons,

and white porcelain 6,050 tons. As regards the export trade in porcelain, Czechoslovakia occupied the fourth place among European countries.

As in former Austria the manufacture of china was almost entirely confined to Bohemia, the Austrian exports of white and decorated porcelain given in the table below may be taken as statistics of the Bohemian trade. It will be seen from the table that the export of decorated porcelain was much larger than that of white porcelain, and that the largest customer in 1910 was Great Britain.



Porcelain Factory. Merckelsgrün.

	P o r c e l a i n	
	White	Decorated
	t o n s	
Asiatic Turkey . . . . .	219	—
Australia . . . . .	—	582
Dutch Indies . . . . .	604	—
Germany . . . . .	772	2,355
Great Britain . . . . .	224	4,245
Italy . . . . .	278	—
Rumania . . . . .	273	633
United States . . . . .	174	2,134
Other countries . . . . .	988	2,416
Hamburg (for export) . . . . .	205	1,081
Total . . . . .	3,737	13,446

During 1920, 14,200 tons of porcelain were exported to the following countries: Austria 4,788 tons, Italy 2,334 tons, Rumania 1,213 tons, Hungary 1,004 tons, Germany 891 tons, Poland 726 tons, Great Britain 350 tons.



The Bohemian manufacture of *pottery* dates from the 13<sup>th</sup> century, and in the Middle Ages its products were already well-known. The industry is located in the Most-Duchcov district (Brux-Dux) round Plzen, Rakovnik and Znojmo. It produces varnished tiles for walls (30,000 tons of which 22,429 tons were exported), flagstones, 9,000 tons, (7,200 tons of which were exported), earthenware etc. In addition there are 36 factories producing 188,840 tons of fireclay, 87,800 tons of which are exported as a raw material. There are 37 factories producing 296,000 tons of fireclay articles, 114,300 tons of which were exported.

## 5. CHEMICAL INDUSTRIES.

The chemical industry in the former Austro-Hungarian Empire was almost entirely concentrated in districts which now form part of the Czechoslovak Republic. These chemical industries are now carried on especially in the northern and eastern parts of Bohemia, in the north of Moravia and in Silesia. This is due to the convenient proximity of coalfields and navigable rivers which supply the cheapest means of transport for raw materials. Thus, the greater part of the chemical factories are situated on the banks of the Labe (Elbe) as far as Kolin, and on the banks of the Vltava (Moldau) as far as Prague. In Slovakia the chemical industries have not yet developed on a large scale, and they are scattered irregularly throughout the country.

The most important chemical factories are at Kolin, Pečky, České Budějovice and Prague. There are carbonic acid factories at Vysočany, Karlín and Prague. The chief factories for the production of chemical manufactures are at Plzeň, Slaný, Píerov, Ústí n. L., Hrušov and Králopý. This latter factory produces all kinds of chemicals, such as artificial manures, sulphuric and nitric acids, mineral dyes, and even certain aniline dyes, which were produced by no other factory in former Austria. There are four factories which import Strassfurth salt from Germany and transform it into potassium salts, potash, cyanide etc.; two factories produce 12,000 tons of calcium carbide annually, one of them transforming it into cyanide. Calcium carbide is produced by one factory in Bohemia.

The Czechoslovak Republic contains 21 coke furnaces and a large number of factories for the extraction of coal-tar and ammonia. The total annual production of ammonium sulphate amounts to 20,000 tons.

In a number of factories coal-tar is transformed into asphalt, benzol etc.

The Czechoslovak chemical industries can be classified as follows:

a) *Artificial manures*. These form one of the most important products of the chemical industries. The manufacture comprises mainly

superphosphates produced with mineral phosphates imported from abroad. This manufacture together with that of sulphuric acid is carried on in 17 factories. The annual output of manures is 250,000 tons, that of sulphuric acid 350,000 tons.

b) *Glue*. This manufacture is widely carried on both by itself and as a chemical bye-product extracted from bones. Glue derived from hides is of much less importance.

c) *Pharmaceutical products*. The most important factories are at Prague, and Chrást near Chrudim. In addition, there are four factories



Bohemian Crystal Glass.

which produce carbonate of soda by the Solway process, 80,000 tons of salt being used for the purpose annually. A large amount of this product is exported.

d) *Explosives*. These are produced in four important factories, the best known of which is at Bratislava.

e) *Varnish and lacquer*. These are produced in several factories, at Prague, Ústí n. L., Brno etc.

f) *Dyes*. In addition to mineral dyes, such as ultramarine, metallic dyes derived from chromium, zinc etc. are produced in various factories.

g) *Dyes for printing*. A special branch of this industry is concerned with the production of dyes for colour-printing and lithography. These factories are mostly at Prague. At Kozolupy near Plzeň there is a factory for the production of bronze dyes.

h) *Aniline*. The only factory for aniline dyes is that at Ústí n. L. referred to above. German competition has prevented the development of this industry, although special customs rates have been established

with the object of assisting it. The future possibilities of this branch cannot yet be estimated.

*i) Dyes for pottery.* The manufacture of glazes and dyes for pottery deserves special attention. It is carried on at Prague, Plzeň and in Northern Bohemia.

*j) Pencils.* The manufacture of pencils is carried on chiefly at České Budějovice, and also at Uh. Ostroh in Moravia. There are also factories for the production of crayons and billiard chalk.

*k) Ink.* This is produced in several factories at Prague, Ústí n. L., České Budějovice and Podmokly (Bodenbach).

*l) Boot-polish.* This is produced in several factories at Prague, Brno and in Northern Bohemia. The export trade is very considerable.

*m) Lubricants.* These are produced in several large factories in the most important industrial centres such as Prague, Ústí n. L. and Brno. Ethereal oils and essences are manufactured at Karlín near Prague, at Vysočany, Ústí n. L., Podmokly and Brno. The factory at Karlín was among the most important in the former Austrian Empire, and its products were exported all over the world. The manufacture of oils, such as linseed oil, colza oil etc. occupies a prominent place in the industries of Czechoslovakia.

*n) Soap.* The important soap industry, which suffered considerably during the war owing to the restricted rationing of fats, is carried on at Prague, Rakovník, Mladá Boleslav, Hradec Králové and Ústí n. L.

*o) Candles.* The production of candles, like the soap industry, has suffered considerably from the lack of raw materials, the home supply of which is not sufficient for the numerous factories. The chief centres of the candle industry are Prague, Mladá Boleslav, Hradec Králové, Ústí n. L., Litoměřice, all in Bohemia; Bystřice pod Hostýnem in Moravia and Košice in Slovakia.

*p) Starch.* The starch industry is almost entirely concentrated in Moravia, Unfortunately the supplies of raw materials are insufficient to enable this important industry to employ its full resources. As a result, it can neither satisfy the needs of the textile industries, the paper factories etc., nor can it produce enough for export. The chief factories are at Ronov, Jindřichův Hradec and Křinec.

*q) Matches.* There are about 20 factories for the production of matches, the annual output amounting to 50,000 tons. This industry is entirely in the hands of the Solo-Helios concern.

## 6. LEATHER INDUSTRY.

The leather industry in Czechoslovakia comprises more than two-thirds of the whole industry of former Austria Hungary. The tanning

and dressing of leather forms one of the main industries of the Republic, which contains 260 leather factories employing some 10,000 workmen, and disposing of 150,000 raw hides per week.

Certain *tanneries* treat from 1,000 to 5,000 large hides a week in addition to many smaller hides. They also prepare glove-leather from lamb, kid and other skins. The principal products of the Czechoslovak industry are sole leather, leather belting, chrome, calf, box-calf and kid leathers. A considerable part of these as well as technical leather goods of first-rate quality are sent abroad, especially to the Succession States and the eastern European countries. At present the production is restricted owing to the shortage of raw hides and tanning material. Owing to the decrease of cattle during the war, the home supplies of hides have been greatly reduced, and until recently Jugoslavia and Hungary were the only countries from which hides could have been secured. Arrangements are being made, however, for obtaining supplies from other countries.

The industry is distributed throughout the whole country with principal centres at Prague, Králové Hradec, Litoměřice, Teplice, Cheb, Třebíč, Brno, Zlín and Lipt. Sv. Mikuláš.

The *boot-making industry*, which is widely carried on in Czechoslovakia, is especially organised with a view to the export trade. Czechoslovak territory comprises 80 per cent of the whole of this industry belonging to former Austria-Hungary, and contains 250 boot factories employing 35,000—40,000 workmen with an annual output of 31 million pairs. These factories are distributed over 70 towns in Czechoslovakia, the greater part of them being located in Bohemia and Moravia. The chief centres of the industry are Prague, Pardubice, Chrudim, Litomyšl and Skuteč in Bohemia and Brno, Prostějov, Zlín, Třebíč and Jihlava in Moravia. The industry is organised in the Association of the Czechoslovak Footwear Manufacturers which contains 200 members.

A large proportion of the production is destined for export, and before the war these factories, besides supplying the former Empire, exported their surplus to the Balkan States, Russia and Germany, while they shipped many of the finer grades of shoes to Denmark, Great Britain, the Far East and elsewhere. At present the output is restricted on account of the leather shortage, but it is constantly increasing, and export is being resumed with most of the countries to which footwear was shipped before the war. The reputation of Czechoslovak footwear abroad is largely due to the excellence of Bohemian tanned sole leather, which is considered to be without a rival.

The *glove industry* is one of the most important branches of industry in Czechoslovakia. It produces gloves of superfine quality and of very varied styles, such as silk-lined and velour-lined gloves, fur gloves and

all kinds of gloves for outdoor sports. At the present time the Czechoslovak glove industry is carried on essentially in the interests of the export trade, 90 per cent of its production being taken by foreign countries. Before the war 60 per cent of the exports went to Great Britain and 25 per cent to Germany. Its headquarters are at Prague where there are numerous factories for the production of kid gloves, in the Rudohoří (Ore Mountains) and in Silesia. Prague supplied two-thirds of the total output of Bohemia. In 1900 the glove trade occupied 733 tanners, 2500 sewers and 572 dyers. It suffers greatly from a lack of raw hides (chiefly lamb hides). At Kadan a speciality is made of the manufacture of chamois leather gloves. The annual pre-war output was about 1,250,000 dozen pairs of gloves. This industry has existed in Bohemia for many years, and even in 1800 as many as 16,000 dozen pairs of gloves were produced in Prague. The raw materials consisted of lamb, kid and other skins, and were imported chiefly from Turkey and the Balkan States, India and the United States. Owing to the lack of imported supplies, the production of the leather glove industry of Prague has been greatly restricted since the war.

## 7. MISCELLANEOUS INDUSTRIES.

### *Furniture Industry etc.*

There are excellent prospects for the cabinet-making industry in the Czechoslovak Republic. As yet, however, this industry is only at the beginning of its development on a large scale. Considerable progress has already been made with the manufacture of bentwood furniture, which is well-known throughout the world. The production of this furniture is confined mainly to four large factories, and 90 per cent of their output is exported. The value of the foreign sales amounted to 30 million francs. The rest of the furniture industry is carried on in 48 factories which employ 15,000 workmen in all. Besides this, there are about 3,000 small and medium cabinet-making concerns which in normal times employ 3,800 workmen.

During 1920, 8.166 metric tons of furniture were exported as follows: to Italy 1,745 tons, United States 1,058 tons, Austria 876 tons, Germany 834 tons, Great Britain 814 tons, and France 557 tons.

The manufacture of wicker furniture has made considerable progress, and is carried on in 10 large factories, including also basket works. About 90 per cent of the small plaited goods, especially bath shoes and straw baskets, which are manufactured at Bakov near Mladá Boleslav, are exported all over the world, and compete successfully with similar articles from Japan. There are 9 establishments for the manufacture of

smokers' requisites (pipes, cigar and cigarette-holders), while whips and canes are produced in ten different centres.

### *Toys.*

The long-established manufacture of toys in the Rudohoří (Ore Mountains) and in the Šumava (Bohemian forest) has made rapid strides in recent years. It has been possible to establish about 50 factories, and in addition the production of toys is carried on as a home industry throughout all the mountainous districts in the Republic. Four kinds of toys are manufactured: 1. Wooden toys. 2. Cardboard toys with china heads. 3. Toys made from pressed paper. 4. Tin toys. The pre-war value of this industry was estimated at 3 million francs per year.

### *Brushes etc.*

The manufacture of all kinds of brushes is carried on in 24 establishments, comprising half the total production in former Austria-Hungary. In part it is a home industry, as at Jablonne n. Orl., where about 2,500 workers are engaged in it. It is also carried on in large modern establishments which employ a total of 3,000 workers, and the most important of which is at Bratislava. Before the war the annual value of the goods produced amounted to 10 million francs, 60 per cent of them being exported. Of other wooden articles, some form the product of a home industry, such as clogs, for example, while others, such as boot-trees, wooden stoppers and penholders are produced in factories. The cork industry, in the district of Roudnice, supplies corks and cork mats.

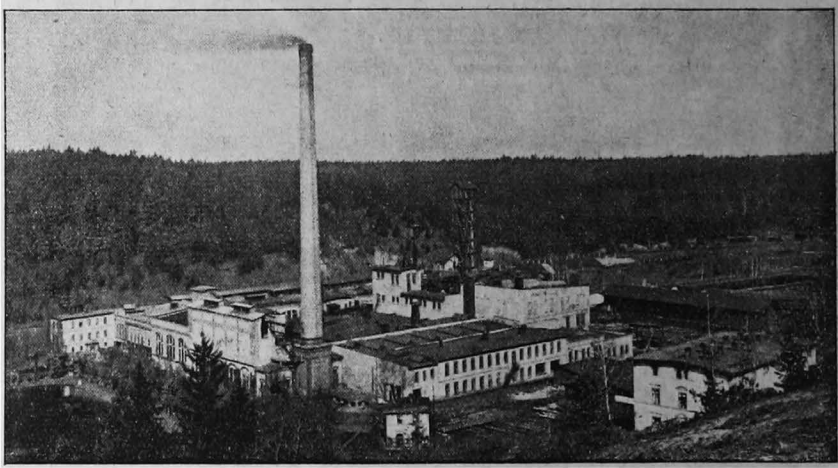
### *Musical instruments.*

About 80 per cent of the string instruments are manufactured in northern Bohemia (Ore Mountains, Schonbach and the surrounding neighbourhood) in 813 workshops. There are 3,050 workers employed in this industry, 1,500 of them being home-workers. Before the war this district alone produced musical instruments to an annual value of 3 million francs.

The chief centre for the production of wind instruments is Kraslice in the Ore Mountains, with 15 factories employing 770 workers, 360 workshops employing 1,870 workers, and a home industry in which 600 workers are engaged. The value of the annual production is estimated at 6 million francs. The town of Hradec Králove is well-known for the manufacture of brass wind instruments. Pianos and harmoniums are produced by 10 factories in northern Bohemia. Accordions, musical boxes and other instruments are manufactured in various districts.

### *Paper industry.*

The extensive timber resources have resulted in a highly developed *paper manufacture*. The Czechoslovak Republic contains about 29 wood pulping mills, 5 independent cellulose factories and 13 others forming extensions to paper factories, 68 paper factories with 132 machines, and 44 factories for the production of cardboard. There is an annual output of 80,000 tons of wood pulp, and 54,000—60,000 tons of cellulose for sale. The production of paper amounts to 226,000 tons, that of cardboard to 12,000 tons. There is also a large subsidiary

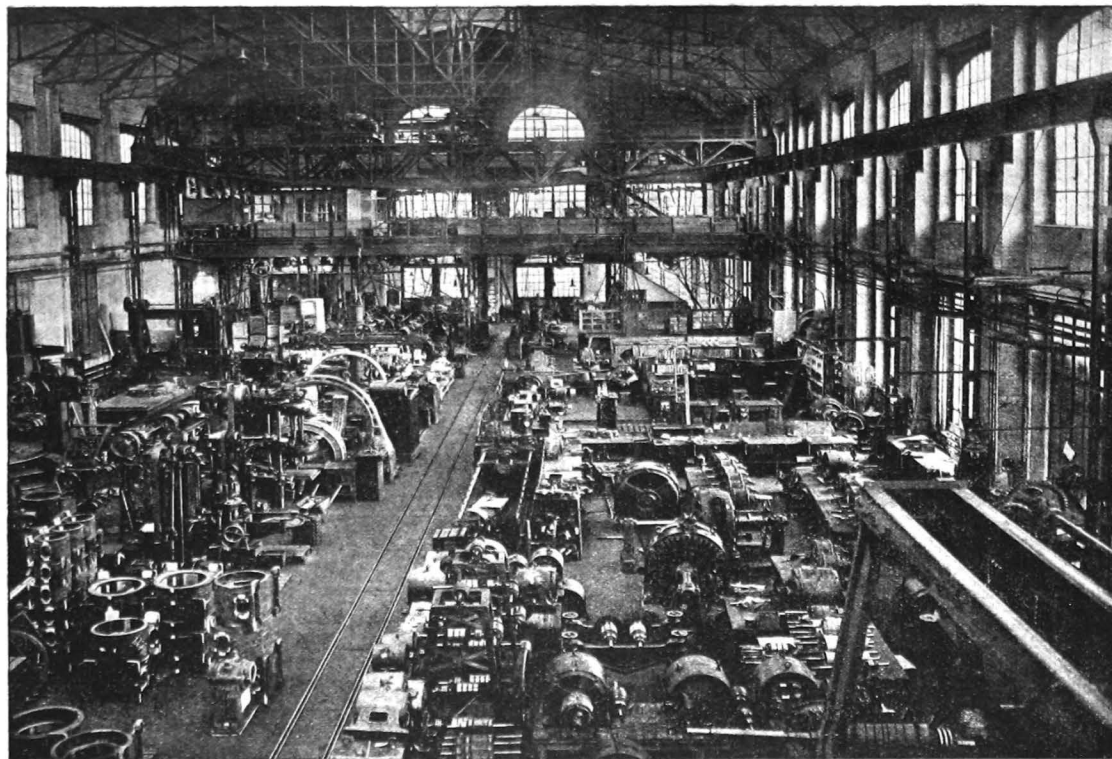


Paper Mills - K. S. Menzel. Podol-Bělá

industry for the manufacture of parchment paper, cigarette paper, tissue paper, cardboard boxes and many similar articles. The paper industry gives employment to 17,000 workmen. Paper and pulp mills have been established in the vicinity of forests in the mountainous regions of Czechoslovakia, but they are also distributed throughout the country. The chief centre is the Trutnov-Vrchlabí district in the south of Bohemia. The largest cellulose factories are at Ratimov in Silesia, and at Josefhute near Plzeň. During the first nine months of 1920, 51,085 tons of paper and paper goods were exported as follows: Austria 18,356 tons, Germany 8,219 tons, Hungary 5,618 tons, Italy 3,811 tons, France 3,544 tons and Great Britain 1,843 tons.

### *Electro-technical industry.*

The Electro-technical industry for the manufacture of electrical machines, electro-motors, large electrical appliances, together with the electrical power stations, railways, electric light works etc., occupy about



Electrical Works at Podmokli (Bodenbach) owned by Křížik, Prague.



5,000 workmen in the Czechoslovak Republic. Its products were exported to Rumania, Serbia and Bulgaria. Under present conditions this industry is adapted for export to the south and east. Its chief centres are, Prague and environs, Podmokly (Bodenbach), Brno, Mohelnice, Bratislava.

The manufacture of cables, isolators etc. in the Czechoslovak Republic occupies about 800 workmen. The chief factories are at Prague, Podmokly (Bodenbach) and Bratislava, and their products were exported to Rumania and the Balkans.

The electro-technical industry for the manufacture of smaller objects occupies about 1,000 workmen, and had an export trade with the Balkans, Russia and the East. Its chief centres are Prague, Olomouc and Jablonec.

The manufacture of smaller electrical appliances, accumulators etc. occupies about 500 workmen, the chief centres being Prague, Radotín and Mladá Boleslav.

The manufacture of electric lamps will shortly be started in three large new factories. Electric torches are produced in a number of factories at Prague and environs, and in the neighbourhood of Liberec (Reichenberg), employing about 800 workmen.

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## CHAPTER VI.

### BANKING AND COMMERCE.

#### 1. BANKING.

The foundation of the Czechoslovak State inaugurated a new era in the history of the Czech and Slovak Banks. In the past their activities had been hampered by the supremacy of the big German and Magyar financial establishments at Vienna and Budapest respectively, from whose arbitrary influences they were now set free to take full advantage of the vast resources placed at their disposal by the new conditions. Before describing the activities of the commercial banks, we must mention a few privileged institutions.

In May 1920 it was decided to establish a national bank, with the right to issue notes, under the title of the "Bank of the Czechoslovak Republic". It will be a private concern in which the Government is to have a standing control. The capital has been fixed at 75,000,000 francs in gold, divided into 75,000 shares of 1,000 francs each. The Government will take 25,000 shares, the rest being offered for public subscription. The management will be in the hands of a board of directors, to which the shareholders are to appoint six members for a period of six years, while the Government is to be represented by three members. The governor of the bank will be appointed by the President of the Republic for a similar period. One third of the notes issued by the bank must be covered by a metal reserve.

Czechoslovakia possesses several privileged provincial banks, with the right to issue bonds, the largest of which is the *Zemská banka* (District Bank), with a capital of 40,000,000 crowns and a reserve fund of 15,922,000 crowns (31/12/19). Its bond issue amounts to 869,751,000 crowns (31/12/19). One of the oldest mortgage banks in the State is the "*Hypoteční banka v Čechách*", with a bond issue of 342,497,000 crowns (31/12/19). There is also the "*Hypoteční banka Markrabství moravského*" (Mortgage Bank of the Margravate of Moravia), with a bond issue of 223,824,000 crowns (31/12/19). Other district joint stock establishments are: The "*Zemědělská banka markrabství moravského*" (Agrarian Bank of the Margravate of Moravia), with a capital of 351,604,000 crowns (31/12/19); the "*Slezský pozemkový úvěrový ústav*" (Land Credit Establishment of Silesia), with

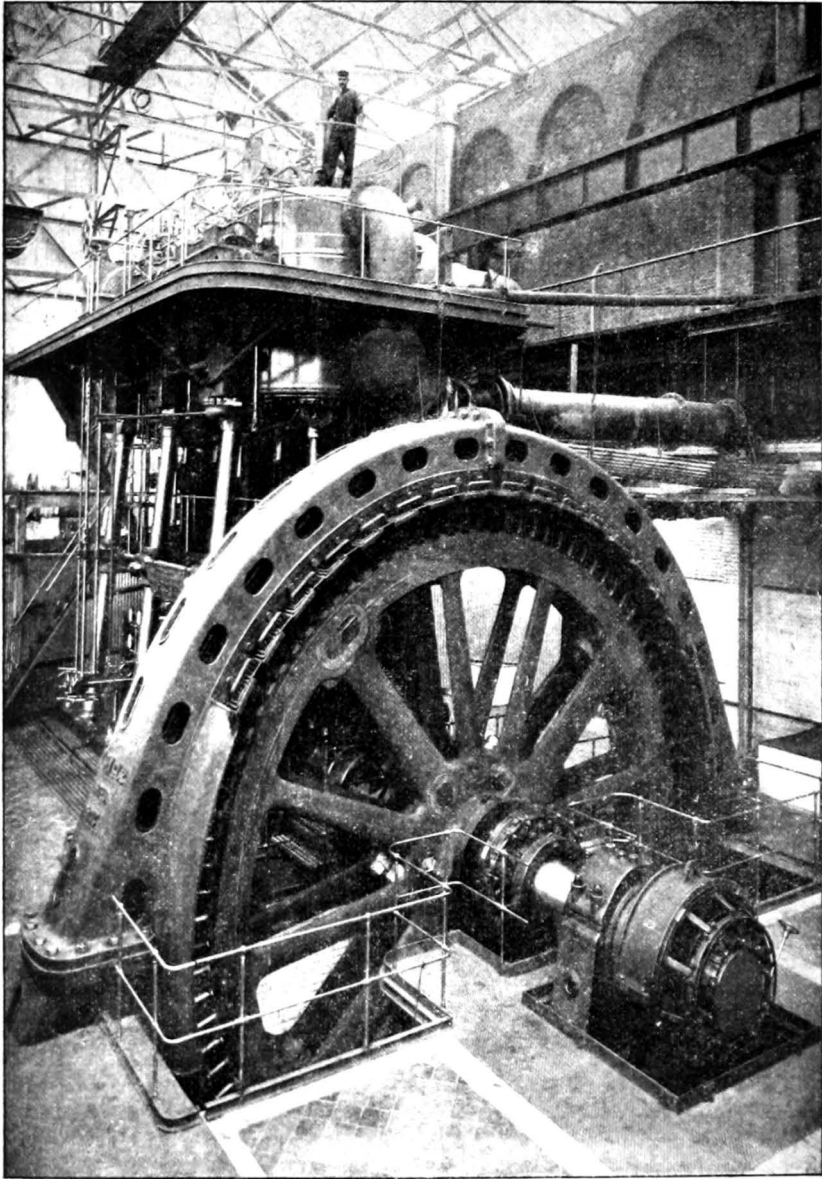
41,817,000 crowns (31/12/19), and the "Komunální úvěrní ústav slezský" (Communal Credit Establishment of Silesia), which has a bond issue of 81,638,000 crowns. It is proposed to amalgamate all these District Banks into one State institution with the same privileges and rights.

The Postal Clearing House is of great importance, as it enables the smallest trader to settle his accounts free of charge by making the necessary sums payable to his wholesaler at any post office in the country. Up to the end of 1919, a year after its foundation, 42,995 firms and individuals opened current accounts with it. The deposits for 1919 amounted to 21,284,326,766, the payments being 20,319,879,949. The net profit of the Postal Clearing House for 1919 amounted to 9,885,160 crowns, and, in accordance with the statutes, it was allotted to the reserve funds.

The main limited liability credit establishments of the country are: The Raiffeisen credit societies, the municipal savings banks, and the credit societies on the Schulze-Delitsch system which deal with the savings of all classes of the population, and satisfy their credit requirements. These various establishments have so developed as to form financial centres of their own. Thus, towards 1860 the Schulze-Delitsch credit societies founded the "Zivnostenská banka", the first Czech bank, which served as their financial centre until the establishment of their own "Union" in 1920. The central headquarters of the municipal savings banks is the "Ústřední banka českých spořitelen". The German savings banks have founded a similar establishment known as the "Zentralbank der deutschen Sparkassen". They are, however, all organised in a Central Association of Czechoslovak Savings banks, which was founded in accordance with a special order of the Government. The Raiffeisen banks have established several unions, the most important being the "Ústřední Jednota hospodářských společenstev v Praze" (Central Union of Agricultural Societies, Prague), which in 1918 comprised 1,654 Raiffeisen banks and 430 miscellaneous co-operative societies. (See also co-operative movement.)

Of the many savings banks, the following had the largest amount of deposits in 1918:

Savings banks at:	Deposits	Savings banks at:	Deposits
Prague (Municipal) .	337 millions	Král. Vinohrady	53 millions
Prague (Bohemian) .	325 "	Děčín . . . . .	51 "
Liberec . . . . .	129 "	Čes. Budějovice	48 "
Šluknov . . . . .	128 "	Král. Hradec . .	43 "
Brno (First Moravian)	97 "	Teplice . . . . .	42 "
Plzeň . . . . .	85 "	Aš . . . . .	39 "
Cheb . . . . .	54 "	Tábor . . . . .	35 "



Central electric power station "Metropolitan Supply & Co." in London (two machines each of them of 5000 horse power, furnished by "Colben & Co., Prague").

Of the credit societies on the Schulze-Delitsch system, the following, were the largest towards the end of 1917:

At:	Deposits	At:	Deposits
Kr. Vinohrady . . .	60 millions	Chrudim . . . . .	17 millions
Brno (Cyril Methodius Society) . . . . .	45 "	Prague . . . . .	17 "
Čes. Budějovice . . .	40 "	Slané . . . . .	17 "
Vys. Mýto . . . . .	23 "	Olomouc . . . . .	15 "
Karlín . . . . .	21 "	Pardubice . . . . .	15 "

Details of the various financial establishments in Czechoslovakia with special reference to their monetary resources at the period named, are given in the following table:

Name of Bank	Year	Number of Establ.	Number of members	Capital	Reserve Funds	Deposits, Savings, Current accounts
				In units of 1,000 crowns		
(a) <i>Bohemia, Moravia, &amp; Silesia</i> , Reiffeisen Societies . . . . .	1913	3,719	363,672	4,689	6,250	379,918
	1918	3,804	412,877	6,034	14,364	1,153,748
Unions of Reiffeisen Societies . . . . .	1913	9	5,027	1,187	1,451	99,279
	1918	9	5,422	8,612	3,279	787,187
District Agricultural Credit Societies (Bohemian) . . . . .	1913	166	241,310	17,379	8,289	229,963
	1918	167	252,127	17,831	17,700	479,191
Credit Societies on the Schulze-Delitsch system . . . . .	1913	1,304	439,693	54,918	82,581	1,166,339
	1918	1,331	400,508	53,363	96,626	1,497,387
Municipal Savings Banks	1913	357	—	—	160,355	2,901,986
	1918	360	—	—	172,557	4,552,012
Other Banks . . . . .	1913	22	—	319,000	90,000	1,350,000
	1918	23	—	521,800	215,544	5,712,644
(b) <i>Slovakia &amp; Carpathian Ruthenia</i> , Credit Co-operative Society .	1913	500	120,000	35,940	4,121	37,183
	1918	500	120,000	35,940	4,121	37,183
Other Banks . . . . .	1913	246	—	131,919	64,445	990,154
	1918	246	—	131,919	64,445	990,154
All Czechoslovak banking establishments . . .	1913	6,582	1,169,702	590,032	42,3492	5,705,543
	1918	6,869	1,190,864	800,299	58,5636	8,709,875

The tasks, with which the Czech banks after the disruption of Austria were faced, were by no means easy. Although within the Austrian Monarchy their importance had been, of course, considerable and steadily increasing, they were more or less provincial institutes, which now found themselves called upon to play a far more important part both in international finance. They had, at least during the first period after the revolution, to provide for the needs of the new State and to finance its extensive industry. After five years of war the economic resources of the country were exhausted, the currency was depreciated, and state credit undermined, while the new era brought with it a whole series of social tasks and problems entailing unusual financial demands. In addition to this the banks were called upon to co-operate with the State in establishing an independent currency for Czechoslovakia, distinct from that of former Austro-Hungary.

Immediately on the establishment of Czechoslovak independence, therefore, the Czech banks increased their capital and funds and strengthened their organisation so as to meet, at least partially, the great demands made upon them. The possibility of entering into direct relations with foreign countries, especially with France, England and America, led many banks to seek the co-operation of foreign capital. In 1919 the Živnostenská Banka, which is the most important Czechoslovak concern, raised its capital first to 160, then to 200 million crowns. The sphere of action of this bank embraces nearly all native industries. The bank holds also a large block of shares in the well-known Škoda Works. The Bohemian Industrial Bank raised its capital to 75 million crowns in 1918 and in the following year to 150 million crowns, a portion of the new capital being subscribed by a Dutch financial syndicate; the Prague Credit Bank increased its capital in 1918 to 50, in 1919 to 75 millions, the new issue of shares being taken up in part by a Franco-Dutch syndicate which has four representatives on the board of directors. A considerable block of shares of the Bohemian Union Bank, which has 120 millions of paid up capital, is held by the Banca Commerciale Italiana, Milan, and Lazard Frères, Paris and London. Similarly the rest of the Czech banks increased their capital, in most cases substantially.

To facilitate commercial relations with foreign countries, several banks have established branches abroad. Thus, the Živnostenská Banka has branches in Austria, Poland and Italy, the Prague Credit Bank in the Balkan States and Poland, the Bohemia Czechoslovak Banking Corporation in Paris and New York, the Bohemian Industrial Bank in Paris, etc. For the same purpose three Prague banks, the Czechoslovak Agrarian, Bohemian Union Bank and the Prague Credit Bank, have founded the Commercial Association of Czechoslovak Banks, a Joint Stock Company, with its headquarters in Berlin and a branch in Hamburg. The

share capital of 25 million marks has recently been increased to 50 million marks.

As regards the branches of the Viennese banks, most of them have already been converted into independent Czechoslovak concerns or were incorporated with the existing establishments. Thus, for example, the Credit Institute for Commerce and Industry (Kreditanstalt für Handel und Gewerbe) is now amalgamated with the Bohemian Discount Bank and the new firm is now styled the Bohemian Discount Bank and Credit Institute with headquarters at Prague. The branches of the Mercur Bank have been taken over by the Czech Commercial Bank, founded in 1920, with a paid-up capital of 50 million crowns. The Czechoslovak branches of the Wiener Bankverein will be taken over by the General Czechoslovak Banking Union with a capital of 55 million crowns. The new concern is being founded by the Wiener Bankverein, Vienna, the Moravian Agrarian and Industrial Bank, and Banque Générale de Belge, Brussels. The branches of the Länderbank have recently been converted into the Bank for Commerce and Industry formerly Länderbank, with a capital of 80 million crowns. The new bank was founded by the Länderbank, Vienna, the Czechoslovak Agrarian Bank, Prague, and the Banque de Paris et des Pays-Bas, and has for its president M. Jules Cambon. The branches of the Anglo-Austrian Bank will, in the near future, be taken over in a similar manner and with the help of English capital by the newly formed Anglo-Czech Bank. In Slovakia a General Slovak Credit Bank, with 50 millions of capital, is in process of formation, and in due course it will take over the Slovak branches of the General Magyar Credit Bank (Magyar általános hitelbank).

At the time when Czechoslovakia was established as an independent State, Bohemia, Moravia and Silesia contained 28 joint stock banks, of which 17 were Czech and 11 German. Their total paid-up capital amounted to 551.4 million crowns, the share of the Czech concerns being 412.8 millions, as compared with 138.6 millions of the German banks. On January 1<sup>st</sup> 1920, the situation was as follows: the paid-up capital of all banks amounted to 914.6 millions and the reserve funds to 349.5 millions. Of these amounts 721 millions (78.8%) of paid-up capital and 281 millions of reserve funds (78.2%) belonged to Czech concerns. The corresponding figures for the seven German banks and two banks which are under joint Czech and German management were 193.6 millions (21.2%) and 68.1 millions (21.8%) respectively. The total increase of paid-up capital amounted therefore to 263.2 millions, or nearly 66 per cent.

At the end of 1920 the total deposits in the Czechoslovak banks and the Czechoslovak branches of Viennese banks amounted to 2,521 millions as compared with 2,067 millions at the end of the first banking

quarter of 1920, and 1.484 millions at the end of 1919. The amounts of deposits in savings banks were estimated at about 6 milliards, or twice as much as in the commercial banks.

All the principal banks are members of the Prague Clearing House, whose activity is steadily increasing. In 1920 it comprised 32 banks. The business transacted by the Clearing House in 1919 and 1920 amounted to 11.87 and 41.53 milliards respectively, this being an advance of 29 milliards in the short period of one year.

Nearly all the banks are organised in the Union of Czechoslovak Banks.

The amount of paid-up capital and the results of the principal banks for 1920 were as follows:

Name of the Bank	Paid-up capital	Reserve funds	The last dividend
	(In million Czechoslovak crowns)		
Živnostenská Banka . . . . .	200	101.1	12 <sup>0</sup> / <sub>0</sub>
Bohemian Industrial Bank . . . . .	150	45.0	8 <sup>0</sup> / <sub>0</sub>
Bohemian Union Bank . . . . .	120	65.0	12 <sup>0</sup> / <sub>0</sub>
Moravian Agrarian & Industrial Bank	120	71.7	9 <sup>0</sup> / <sub>0</sub>
Bohemian Discount Bank & Credit Institute . . . . .	100	71.1	12 <sup>0</sup> / <sub>0</sub>
Prague Credit Bank . . . . .	75	53.4	12 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>0</sub>
Czechoslovak Agrarian Bank . . . . .	60	26.3	6 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>0</sub>
Bank of Bohemia . . . . .	60	12.5	7 <sup>0</sup> / <sub>0</sub>
Czech Commercial Bank . . . . .	50	8.3	8 <sup>0</sup> / <sub>0</sub>
Agricultural Credit Bank . . . . .	50	33.1	10 <sup>0</sup> / <sub>0</sub>

On the whole the banking situation during the last three years which have elapsed since the formation of Czechoslovakia may be described as favourable. Capital is required by the numerous branches of industry, and banking enterprise is thus provided with fresh scope for its activity. Help is being given to existing establishments to increase their capital, and new groups are being formed for the purpose of cheapening output by standardising production or restricting working expenses. Even before the war the highly developed industries in Bohemia, Moravia and Silesia absorbed large quantities of capital. Moreover, it must be remembered that the manufactures in Czechoslovakia are designed chiefly for export, and both price and quality must be fixed with a view to meeting foreign competition. Hence arises the necessity for developing it still further, and excellent opportunities are thus offered for placing new investments. In this respect the banks are displaying the utmost



energy. They are interested in the industries of the country not only by providing them with credit, but also by initiating and participating in industrial undertakings. As they hold large blocks of shares, they often nominate their own representatives on the board of directors of those concerns which they control. The banks have also as a rule, their own commercial departments which dispose of the products of those industries in which the bank is interested.

The activity in establishing new industrial undertakings which set in soon after the Republic came into being, continued in 1920 with greater intensity than in the previous year, when 56 new joint stock companies with 270 millions of paid-up share capital were founded. The corresponding figures for 1920 were nearly three times as large, for in this year the number of new joint stock companies was 130, with a capital of 765 million crowns. The impetus to this movement resulted from the endeavour to satisfy the needs of the country with the products of the home industry, and to diminish the reliance on foreign commodities.

During the first quarter of 1921 the activity in founding new companies and increasing the capital of the existing companies, continued with the same intensity. In this period 70 new companies were founded of which 48 announced a capital amounting to 250 million. The increases during this period amounted to 335 millions, distributed among 36 companies. The largest increases were those of the Moravian-Silesian Electrical Works (88 million), the Electrical Works of Eastern Bohemia, (30 million), George Schicht (40 million), etc.

These figures may safely be taken as a sign of the healthy conditions prevailing in the country and they are the best proof of the activity of Czechoslovak Trade and Industry.

## 2. INSURANCE.

Though the establishment of the first Czech insurance company dates back to the early years of the last century, it was not until the sixties that a real development set in. The national revival was accompanied by the tendency for the economic emancipation of the nation, and at this time the following companies were founded: The Prague Municipal Insurance Company (1865), "Slavia", "Praha", the Agricultural Mutual Insurance Company (1869), the First Czech Privileged Institution for mutual fire and hailstorm insurance, the Insurance Association of the sugar industry and the "Concordia". "Praha" and "Slavia" started also with life insurance. All these companies were established on the principle of reciprocity. The first joint stock company for insurance was founded in 1899, and is now known as "Koruna". Further companies

established in these years are: "Hasičská vzájemná pojišťovna" at Brno (1900) and the Moravian Provincial Life Insurance Company (also at Brno 1902). Towards the end of the first decade of the 19<sup>th</sup> century, the First Czech Mutual and the Prague Municipal Insurance Company, started with life insurance. In addition to a number of local insurance societies, two large upon stocks companies were founded, viz. "Patria" (1910) and "Moldavia" (1912). At this time the Czech enterprise was already active in all branches of insurance.

The war was a test period for the Czech institutions, which not only survived it with their existence unimpaired, but proved their ability to enter upon the new conditions in full strength and activity. The following table comprises the principal data relating to the Czechoslovak insurance movement at the end of 1918. It must not be forgotten, however, that a large amount of business was done by the foreign companies which are not included.

*In thousands of Czechoslovak crowns.*

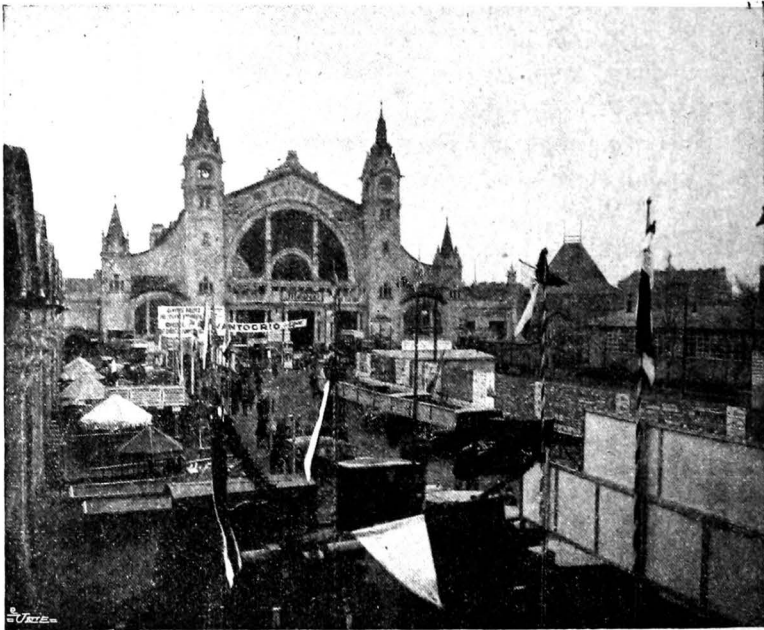
	Life Insurance		Fire Insurance	
	Life Funds	Life Premium Income	Fire Funds	Fire Premium Income
Slavia . . . . .	92,299	14,918	12,415	8,025
Praha . . . . .	47,380	5,399	—	—
Koruna . . . . .	22,187	3,847	—	—
First Czech Mutual . . . .	4,507	1,005	10,177	5,580
Prague Municipal . . . . .	5,966	1,564	2,021	1,048
Moravian Provincial (1917) .	36,685	4,918	—	—
Agricultural Mutual . . . .	—	—	928	1,433
Hasičská . . . . .	—	—	1,369	1,692
Moravian Silesian Mutual . .	—	—	11,744	4,389
Moldavia . . . . .	—	—	2,149	3,379
First Czech Re-insurance Bank	—	—	9,176	9,639

The Insurance Companies also transact insurance against burglary hailstorms and accidents. The activities of foreign companies are somewhat restricted at present. Some of them, however, have amalgamated their interests with those of Czechoslovak concerns, by which method, they are enabled to resume fully their business. Thus, for instance, the Gresham Life Insurance Company has transferred its business to the Moravian Provincial Life Insurance Company, — the Assicurazione Generali is amalgamated with Moldavia, which is now working under the new title of Moldavia-Generali.

Also in the case of insurance companies it may be taken for certain that the new conditions mean a new era of development and prosperity.

### 3. COMMERCE.

The organisation of Czechoslovak commerce is managed by the Ministry for Commerce and Industries. This Ministry is in charge of the central industrial organisations, the export commissions and syndicates, the post-war economic organisation, the arrangement of facilities for



Prague Samples Fair.

visitors from abroad, the patent office etc. It acts in consultation with professional, customs and statistical councils. The most important Stock and Mercantile *Exchange* is at Prague, and there is also a Mercantile Exchange at Olomouc (Olmütz), a Coal Exchange at Ústí n. L. (Aussig), and a Flax and Yarn Exchange at Trutnov (Trautenau). It is proposed to open a Textile Exchange at Prague, a Stock and Mercantile Exchange at Bratislava (Pressburg) and a Stock and Timber Exchange at Košice (Kaschau).

The most important autonomous institutions connected with the Ministry of Commerce are *the Chambers of Commerce and Industry*. There are eleven of these institutions, which comprise commercial, industrial and, in certain cases, mining sections. They are located as follows: In Bohemia: at Prague, Čes. Budějovice (Budweis), Plzeň (Pilsen),

Cheb (Eger), Liberec (Reichenberg). In Moravia: at Brno (Brünn), Olomouc (Olmütz). In Silesia: at Opava (Troppau). In Slovakia, at Bratislava (Pressburg), Banská Bystrice (Neusohl) and Košice (Kaschau). At the present time a re-organisation of the Chambers of Commerce and Industries is being considered. Other important factors in Czechoslovak commercial and industrial organisation are various societies, membership of which is either compulsory, as in the case of the „Živnostenská a obchodní gremia“ (Industrial and Commercial Boards), or optional, as in the case of the „Ústřední svaz československých průmyslníků v Praze“ (Central Union of Czechoslovak Industrialists at Prague) and the Hauptverband der Industrie, Liberec. Their object is to protect their common interests, to found auxiliary organisations, and to record expert opinions connected with their particular branch.

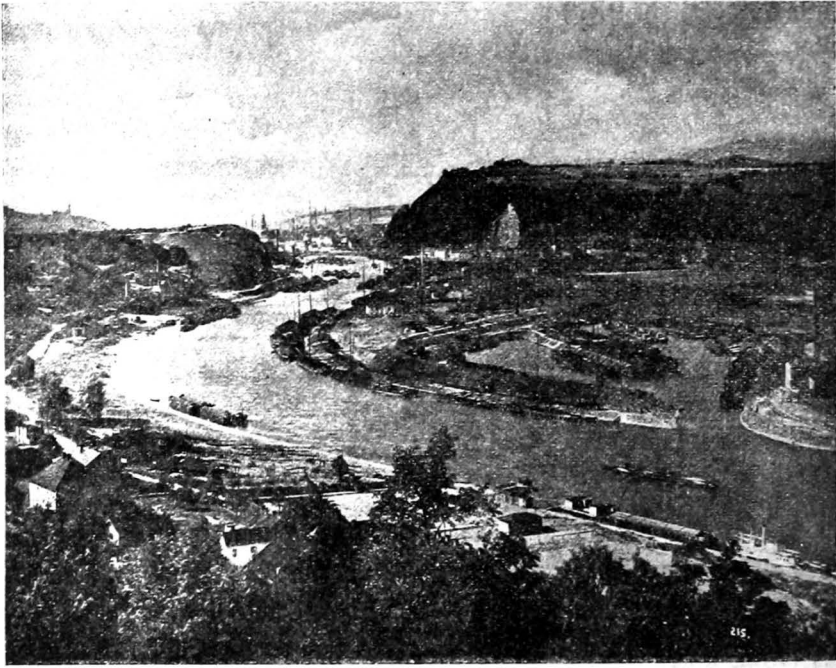
*The Advisory Economic Board*, a kind of parliament for the discussion of economic problems, plays an important part in the economic development of Czechoslovakia. It is composed of experts in economic, financial and social questions, and represents all classes of the population.

The most important *organisation of Czechoslovak manufacturers* and exporters is the „Ústřední svaz československých průmyslníků“ (Central Union of Czechoslovak Industrialists at Prague). It was founded at Prague in 1918, a short while before the revolution of October 28<sup>th</sup>, for the purpose of mustering all the Czech economic forces to meet the political upheaval which was expected. When the Czech territories had proclaimed their independence after the memorable events of October 28<sup>th</sup>, the Manufacturers' Association devoted itself to uniting all the industrialists who had embraced the Republican cause, irrespective of their nationality. The present activity of this association is most extensive. It plays a prominent part in the relations between Czechoslovak trade and foreign countries. Its purpose is to help in the application of political and commercial measures adopted by the Ministry of Trade and the Ministry for Foreign Affairs, and it is in direct touch with foreign countries. In this way it supplies its members with information concerning markets abroad, and attends to their representation at foreign exhibitions. It also supplies foreign firms with reports on the industrial situation in Czechoslovakia, on the state of the markets there and on the import and export facilities. It is at present engaged in preparing a directory of exporters.

The association was represented at the recent International Labour Conference held in Washington. The number of concerns included in its organisation is 6347, comprising 17 different industrial groups, divided into 105 sections.

As regards *patent and trade mark law*, Czechoslovakia has adopted the Austrian patent law, which is regarded as one of the best modern

laws of its kind. Patents are granted for fifteen years from the date of publication, and are subject to the payment of renewal fees, which are due on or before the anniversary of publication, and range from 60 crowns for the first year to 1,020 crowns for the fifteenth year. If a patent is not utilised within three years in Czechoslovakia, it is revoked on demand, if the patentee cannot justify his inactivity. Foreign applicants must appoint an agent in Czechoslovakia, and only duly qualified and sworn attorneys registered at the Patent Office in Prague are eligible as agents.



Ústi n./L. Port on the Elbe.

Trade marks are registered for ten years, at the expiration of which term the registration can be renewed for a like period. The distinctive character of trade marks is scrutinised after their registration has been applied for, and notice is given to the owners of similar trade marks to enable them to raise objections, if necessary.

#### 4. INDUSTRIAL FAIRS AND EXHIBITIONS.

With a view to renewing the economic relations which were interrupted by the war, and to seeking fresh outlets abroad for her industries, the new Republic, which contains the majority of the industries of the late Austrian Empire, arranged three *industrial fairs*, to be held period-

ically at Prague, Liberec (Reichenberg) and Bratislava (Pressburg) respectively. The Prague Fair is the most important and has a great future. Prague, situated as it is in the middle of a rich industrial area, and being also an important railway centre in the heart of Europe, is destined to become the natural intermediary of economic relations between East and West. The fair takes place twice a year, and it occupies all the space available on the Prague exhibition ground. It is divided into 18 groups which together represent every article manufactured in the Republic.

At the Spring Industrial Fair of 1921, 2,543 firms exhibited their goods. Of these 2,409 were native Czechoslovak firms, while there were also 134 foreign exhibitors (German, Austrian, French, English, Swiss, Italian, Hungarian, etc.) From the record of the transactions which were concluded, it appears that the total turnover amounted to 596 million Czechoslovak crowns. This amount is smaller in comparison with the results of the first fair, but in view of the economic stagnation throughout the world and the short duration of the fair (9 days), it is quite satisfactory. The business transacted by foreign exhibitors amounted to 137 million crowns, and the number of visitors amounted to 160,000. Yugoslavia, Rumania, Bulgaria, Austria, Hungary, Poland, Belgium, Holland, Germany, France and Scandinavia were especially well represented, and even in the case of China, India and South America, distance did not prove an obstacle.

During the fairs many thousands of traders and manufacturers visit Czechoslovakia, as the fairs offer an excellent opportunity for establishing new commercial relations, as well as for direct inquiry into the economic conditions of the Republic. Exporters from Western countries can not only enter into connection with Czechoslovak firms, but also with buyers from the other Central European and Balkan countries, which are always represented by large numbers of visitors.

*The Agricultural Exhibition*, which is held once a year at Prague, comprises not only agriculture and forestry, but also the agricultural industries and the manufacture of agricultural machinery and appliances. The Exhibition is organised by the Czechoslovak Agricultural Union.

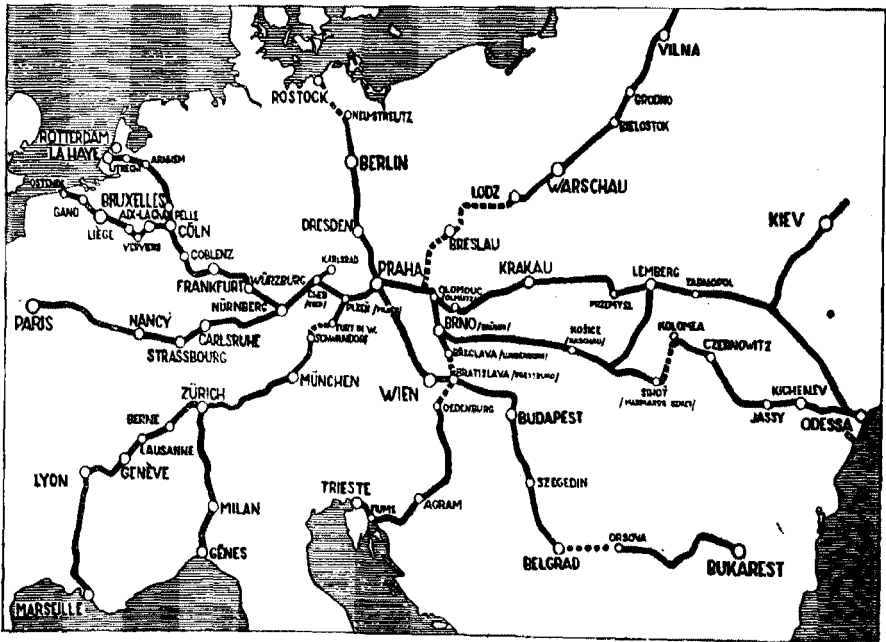
*The Automobile Exhibition* which was held annually at Prague before the war, was resumed last year. It may be mentioned that this exhibition was the only one of its kind in the former Austrian Empire. On the last occasion in June 1921, Czechoslovak cars, together with many important foreign products were represented (Ford, Chevrolet, Fiat, Citroen, Berliet, Rex-Simplex, Opel, Wanderer, Steyr, etc.), and the exhibition proved thoroughly successful.

As we have already mentioned, there are two other industrial fairs held regularly in Czechoslovakia, viz. the Liberec (Reichenberg) Fair,

and the Orient Fair of Bratislava (Pressburg), which take place annually. In Liberec, an important trade and industrial centre in Northern Bohemia, the first commercial fair of this kind was held last year, textile goods, glassware and pottery, as well as other industries being represented. The importance of the Orient Fair, held at Bratislava, the chief Czechoslovak port on the Danube and the natural outlet for goods intended for export to the Near Eastern Countries, is considerable, and within the next few years it will certainly become an indispensable market for the interchange of goods from Central and Eastern Europe.

### 5. THE LEADING COMMERCIAL CENTRES.

*Prague* is the capital of Czechoslovakia and the most important city in the Republic. It is the centre of important industries, such as machinery factories, iron foundries, textile factories, paper mills, breweries, etc. The chief industrial quarters are Karlín, Smíchov, Libeň and Holešovice-Bubny. Prague proper is an old historical city with many buildings, bridges and churches of interest. The first university of Central Europe was located in Prague and the city was for many years the capital of the Kingdom of Bohemia. It has at present two universities, two High Polytechnic Schools, a Commercial High School and a number of other schools. Prague is situated on the river Vltava (Moldau) in a valley sur-



rounded by hills. The number of inhabitants in the city and suburbs is nearly 700,000, mostly of Czech nationality. The importance of Prague from an economic point of view is very great, and the city will play a prominent part in the exchange of goods between East and West. Its situation on the Vltava, a tributary of the Elbe, affords direct communication with the Port of Hamburg and it is also an important centre of railway and aerial transport. It has a direct connection with all capitals of the surrounding States, as well as with Paris, Rome, Belgrade etc., and an air connection with Paris, Warsaw, Bucharest and the principal cities of the Republic. Most of the head offices of the chief banks, insurance companies and the principal Czechoslovak industrial enterprises are located at Prague. Of the numerous exhibitions held at Prague throughout the whole year, the Industrial Samples Fair, held twice a year, is the most important.

The second city in the Republic is a busy industrial centre, *Brno* (Brünn), Moravia, with a population of 212,000. Brno is the centre of the woollen industry of Czechoslovakia, and has also important cotton mills, tanneries, machine factories, breweries, liquor factories, etc. Brno is also the seat of the Supreme Court, has a university, two polytechnic high schools, etc.

*Plzeň* (Pilsen) with 88,000 inhabitants is noted for its beer. The city has also large iron and steel works, machinery factories, tanneries etc. The famous Škoda Works are well known.

*Bratislava* (Pressburg) with a population of 93,000, is the chief Czechoslovak port on the Danube, the seat of the International Danubian Commission, the local authorities for Slovakia, many schools, etc. The city is developing into an important commercial centre and, being the principal port of the richest Danubian country, it has a bright future. It has a number of textile factories, a dynamite factory and other industries. Oriental Samples Fairs are held here annually.

*Olomouc* (Olmütz) with 49,000 inhabitants has large malt factories, distilleries, sugar factories and refineries in the neighbourhood. It has an Exchange for agricultural commodities.

*České Budějovice* (Budweis), is the largest city in Southern Bohemia and is known for its beer, Hardtmuth pencils, matches etc. It has a considerable lumber trade.

*Košice* (Kaschau) with 52,600 inhabitants, is a distributing point for Eastern Slovakia, and the second largest town in this province. The city contains many industries such as leather factories, earthenware and chemical factories etc.

*Moravská Ostrava* (Mährisch Ostrau) with 42,000 inhabitants, situated in the most important Czechoslovak coal mining area, has a considerable



machine industry and in its neighbourhood at *Vitkovice* are great iron and steel works, which employ over 25,000 workmen.

*Ústí n./L.* (Aussig a./E.) (44,000 inhab.) is the principal Czechoslovak port on the Elbe, whose tonnage before the war was about 1,700,000. The city has a large chemical factory, sugar and machine factories, and is a centre for trade in lignite, sugar and corn.

*Opava* (Troppau) (35,000 inhab.) has textile and sugar factories and is a centre of Silesian trade and industry.

*Liberec* (Reichenberg) (38,000 inhab.) is an important centre of the textile industry. Industrial Fairs are held here annually.

*Jablonec* (Gablonz, 35,000 inhab.) is famous for its glass and fancy goods, which are exported to all parts of the world.

*Karlovy Vary* (Carlsbad) is a famous Bohemian health resort, which before the war attracted 70,000 visitors annually. It is also noted for its porcelain and china ware. Of the other health resorts, special mention should be made of *Marianské Lázně* (Marienbad) (32,000 visitors), *Fran-tiškovy Lázně* (Franzensbad, 12,000 visitors), and *Píšťany*.

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## CHAPTER VII.

### FOREIGN TRADE.

#### 1. FOREIGN TRADE.

Before the war the Czechoslovak territories supplied the needs of the whole Austro-Hungarian Empire, and only about 30 per cent of the goods produced in the Czechoslovak regions went to satisfy home requirements. As an independent State, therefore, Czechoslovakia possesses (on a pre-war basis) an exportable surplus of 70 per cent. Actually, production having increased since 1914, this means a far greater quantity of goods than was exported before the war. The trade of Czechoslovakia is that of an industrial country importing chiefly raw materials and foodstuffs, and exporting finished manufactured goods. Before the war most of the products known on the world's market as Austrian, came from the territory comprising the new Republic.

In considering the export potentialities of Czechoslovakia, account must be taken of its relatively unfavourable geographical position. Being an inland country, it has to rely to a large extent upon the river transport offered by the Elbe and Danube. In consequence, therefore, of this geographical position, the chief markets for Czechoslovak goods must necessarily be in the south and east, i. e., in the countries formerly constituting the Austro-Hungarian Empire, the Balkan countries, the Near Eastern countries, Poland and Russia, which latter, especially in the future, when their political conditions have become stable, will be extremely important to Czechoslovakia, both for the import of foodstuffs and raw materials and for the export of finished goods. Competition with the Western countries will be permanently maintained only in the case of those products which are a speciality of Czechoslovakia. These are, in addition to agricultural and kindred products (hops, malt, timber, sugar, beer, mineral waters, etc.), the manufactures whose value depends upon the skill and quality of the labour by which they are produced (glass, china, Gablonz-ware, etc.).

In 1919 the imports amounted to 18 million quintals, and the exports to 56 million quintals, the exports therefore exceeding the imports by

38 million quintals. In 1920 the imports amounted to 39 million quintals, the exports to 69 million quintals, the exports therefore exceeding the imports by 30 million quintals. On the basis of quantity the chief import articles for 1919 were as follows: Coal, timber and peat (27.3 per cent); corn, flour, malt and rice (19.6 per cent); minerals, chiefly ores (10.4 per cent); the next in order comprise iron and iron goods, together with tablesalt. The corresponding figures for 1920 are: coal, timber and peat (33.8 per cent); minerals, chiefly ores (23.8 per cent); the next in order being table-salt, corn, flour, chemical goods.

On the same basis the chief export articles for 1919 were: coal, timber and peat (73.4 per cent); minerals (8.6 per cent); sugar (3.8 per cent). For 1920 the figures were: coal, timber and peat (75.1 per cent), the next in order being minerals and sugar. In 1919 the chief countries from which the imports were derived were: Germany, United States of America, Austria. In 1920 they were: Germany, Sweden, Austria, Poland with the plebiscite areas. The chief export countries for 1919 were: Germany, Austria, Poland. For 1920: Germany, Austria, Poland with the plebiscite areas.

The data as to value are only approximate. The value of the imports for 1919 was 6,507 million crowns, the value of the exports 5,687 million crowns, this representing therefore a debit balance of 820 million crowns. In 1920 the value of the imports was 16,383 million crowns, the exports 16,190 million crowns, the debit balance thus amounting to 193 million crowns.

The order of import and export goods according to their value is somewhat different from that according to their quantity. The largest import items for 1919 comprised: flour and corn (22.3 per cent of the total value); cotton yarn and cotton goods (16.9 per cent); fats (10.4 per cent); wool, woollen yarn and woollen goods (8.6 per cent). For 1920 the figures were: cotton, cotton yarn and cotton goods (19.6 per cent); corn and flour (11.8 per cent); wool, woollen yarn and woollen goods (7.4 per cent), the next in order being petroleum and fats.

The largest export items for 1919 comprised: sugar (24.9 per cent); coal and timber (18.6 per cent); fruit, vegetables and plants (9.7 per cent); glass and glassware (6.7 per cent), the next in order being wool and woollen goods, iron and iron goods. The corresponding figures for 1920 were, wool and woollen goods (20.6 per cent); glass and glassware (16.3 per cent); sugar (13.7 per cent), the next in order being coal and timber, cotton, cotton yarn and cotton goods.

The following countries contributed the largest value of imports to Czechoslovakia for 1919: United States of America (25.9 per cent); Germany (14.2 per cent), the next in order being Italy, Austria and Switzerland. For 1920: Germany (23.5 per cent); United States of America



Prague, Views of Hradčany.

(18.6 per cent); Austria (11.7 per cent), the next in order being Holland. The exports from Czechoslovakia according to value were distributed as follows for 1919: Austria 29 per cent); Germany (19.9 per cent); France (10.6 per cent), the next in order being Poland with the plebiscite areas. For 1920: Austria (35.4 per cent); Germany (15.5 per cent); France (9.3 per cent), the next in order being Hungary and Italy.

The data as regards quantities show that Czechoslovakia is an export State. The largest customers are Germany and Austria, the largest purveyors Germany and the United States of America. The trade balance must be judged with the greatest caution, in view of the method by which the data as to prices were arrived at. They indicate that in both years there was a debit trade balance, although the exports were considerably greater than the imports, but in 1920 the debit balance appears considerably smaller. Thus, if these figures are any indication of the progress now being made by Czechoslovak commerce, it may reasonably be assumed that a continuous improvement is taking place.

The following lists of goods indicate the requirements and possibilities of the Czechoslovak market:

#### *Goods required in Czechoslovakia.*

Raw hides and leather; ostrich feathers and other ornamental feathers; naphtha and train oil; mother-of-pearl; quebracho and other forms of tannin; mahogany and similar types of wood; resins; wool and dressed wool yarns; cotton and cotton yarn of the highest grades, especially gossypium products and varieties for the manufacture of finely woven stockings; raw materials for laceware, embroidery, velvet and various goods of fine texture; flax and flax yarn of the highest grades, flax cambric; jute, bast and other textile plants; india-rubber; gutta-percha; shellac, raw shellac; palm seeds; technical oils, animal oils and vegetable oils; aniline dyes; medicines, chemicals; precious stones; raw iron, old iron, iron ore, copper, tin, zinc ore, ferro-manganate, vanadium ore, ferro-molybdate, molybdenum ore, chromium ore, ferro-silicon, ferro-silicate of aluminium, ferro-wolfram, wolfram ore, metallic wolfram, metallic nickel, metallic cobalt, metallic aluminium; sodium sulphate, borax, saltpetre, etc.; watch springs, tweezers and files for watchmakers, paraffin, special machines, implements and appliances; seeds; celluloid; salt; tobacco; colonial produce such as coffee, tea, spices etc.

#### *Goods to be exported from Czechoslovakia.*

Sugar; barley-malt, hops and beer; embroidery, lace, linen; toys; gloves; timber; wooden goods; buttons; fancy goods (Gablonz-ware);

glass; kaolin, porcelain and china; mineral waters; bentwood furniture; wicker furniture; cotton goods; woollen goods; silk goods; linen goods; paper; cardboard; pencils (Hardtmuth); enamel goods; musical instruments (pianos); chemical products; liquors; artificial flowers; brushes; shoes; fruit; steel, iron and iron goods; machinery and tools; together with many other products.

*Future exports.*

In order to afford an indication of the probable volume of exports from Czechoslovakia when the normal output of the leading industries of the country can be re-established, the following tables, showing the annual value of the total exports to western and eastern countries based upon pre-war production and pre-war prices, may be of interest:

*Pre-war Exports to Western Countries (France, Great Britain, United States, Switzerland, Belgium, etc.)*

Timber of all kinds . . . . .	45,000,000	dollars
Hops . . . . .	24,000,000	"
Sugar . . . . .	120,000,000	"
Malt . . . . .	12,000,000	"
Iron . . . . .	5,000,000	"
Paper . . . . .	8,000,000	"
Wooden articles . . . . .	12,000,000	"
Glassware . . . . .	30,000,000	"
Other articles . . . . .	51,000,000	"
Total . . . . .	307,000,000	dollars

*Pre-war Exports to Eastern Countries (Austria, Hungary, Poland, Jugoslavia, Bulgaria, Rumania, Russia, etc.)*

Steel, iron . . . . .	80,000,000	dollars
Agricultural machines . . . . .	40,000,000	"
Iron products . . . . .	30,000,000	"
Industrial equipment . . . . .	30,000,000	"
Chemical products . . . . .	20,000,000	"
Alcohol . . . . .	40,000,000	"
Sugar . . . . .	20,000,000	"
Textiles . . . . .	40,000,000	"
Footwear . . . . .	20,000,000	"
Other articles . . . . .	26,000,000	"
Total . . . . .	346,000,000	dollars

After due allowance has been made for increased prices and other changes resulting from the war, the above tables afford an excellent indication of the probable future volume of Czechoslovak trade, and the important part which this country is likely to play in supplying manufactured goods to other countries.

## 2. THE CZECHOSLOVAK COMMERCIAL TREATIES.

Czechoslovakia, being a highly industrial State, has from the very beginning of its independent existence, endeavoured to maintain itself and to recover its pre-war position in the world-market by establishing a permanent connection based upon a series of commercial treaties. These treaties were necessarily of a temporary character, as the unsettled conditions prevailing in the last two years in Central and Eastern Europe, where the principal market for Czechoslovak goods is located, precluded the possibility of long-term economic agreements. The State control of trade, maintained in almost all European countries, has also been a great obstacle in this respect. Thus, most of the Czechoslovak commercial treaties concluded during the last two years were of a compensatory character based upon the exchange of goods. These, however, proved inadequate, and now that conditions are improving, Czechoslovakia is endeavouring to establish a solid foundation for her foreign trade by abolishing the system of import and export licences, and entering into more stable relations with the surrounding States as well as with the Entente Powers of Western Europe. The agreements which have either been concluded, or about which negotiations are in progress, are completely in accordance with the provisions of the Peace Treaties.

### *I. Agreement with Germany.*

As the Czechoslovak frontiers with Germany are the longest, it is only natural that this State has a large share in the foreign trade of the Republic. Thus, in the last two years a whole series of special and temporary commercial agreements were concluded with Germany for the adjustment of mutual relations in economic matters. As, however, it was not possible in this way to arrive at a firm basis for economic dealings between the two countries, it became necessary to conclude a single economic agreement. This was done on June 29<sup>th</sup>, 1920. The agreement in question comprises twenty two paragraphs, and disposes of all the questions which have hitherto been the subject of dispute. These are mainly matters relating to transport, transit, customs, finance, reciprocal supplies of coal, etc. A special clause stipulates that both States are to issue lists of goods, the import and export of which have

been mutually decontrolled. This applies, for instance, to the export of dyes, chemicals, pharmaceutical products, iron, steel, toys, machines, electro-motors, tools and agricultural implements, motor-cars, musical instruments, photographic appliances, etc., from Germany to Czechoslovakia. In return, Czechoslovakia has sanctioned the export of Gablonz and glassware, pottery and porcelain, musical instruments, leather goods and gloves, semi-precious stones including garnets, hair-nets and artificial flowers, chemicals, limestone, toys, baskets, lace and embroideries, furniture, mineral waters, beer, timber etc. This agreement also ensures the fulfilment of the economic provisions of the Versailles Peace Treaty, and it will remain in force until three months' notice of its termination is given by either of the contracting States. An additional clause provides for the import of Upper Silesian coal to Czechoslovakia in exchange for Bohemian lignite.

## II. *Agreement with Austria.*

Negotiations with Austria were started in January, 1920, when Dr. Renner, the Austrian Chancellor, proceeded to Prague with a number of experts. The negotiations were concerned mainly with matters arising from the enactments of the Peace Treaty and with economic questions. Agreements were arrived at as regards the simplification of customs, freedom of transit, procedure for the granting of import and export licences, and in the question of payment for goods.

As a result of these negotiations, the previous agreements relating to the supply of coal to Austria for public purposes (railways, the Viennese electrical works, gas works and heating purposes) were replaced by a fresh agreement concluded on February 19<sup>th</sup>, 1920. In accordance with this new arrangement, Austria was guaranteed 510 truck-loads of coal daily, each truck containing 10 tons, and in return Austria supplied various raw materials such as crude iron, etc. According to the prices then current, the coal supplied to Austria represented a value of about 12,000,000 Czechoslovak crowns per month, the value of the Austrian goods delivered as compensation being only 9,500,000 Czechoslovak crowns. An agreement was also reached as regards the deliveries of sugar, and on this occasion nearly all the points at issue in financial and economic questions were settled.

The new commercial treaty concluded with Austria in June 1921 consists of two distinct parts. The first part comprises the commercial agreement, which contains general stipulations, and is based upon the principle of maximum advantages. In particular it is here enacted that the citizens, vessels, goods, natural and industrial products of one of contracting parties shall not be treated more unfavourably in the ter-



ritories of the other than the citizens or goods of a third State. The same is made to apply to the carrying on of trade and industry, attendance at markets and fairs etc. Some of the enactments are concerned with the facilitation of traffic, the guarantee of transit etc. In general, while adhering to the implications of the Peace Treaty, this commercial agreement places Austria on an equal footing with the rest of the favoured States, the terms of the Peace Treaty being, of course, in no way affected by it. It includes such items as facilitations in frontier traffic, mutual support in the levying of customs dues, in the prevention and prosecution of infringements of customs regulations, an agreement with regard to cattle plague, and finally an agreement as to mutual recognition of certificates for tested goods. The commercial agreements forming the actual provisional commercial treaty need the sanction of both Governments and both parliaments, and not until these sanctions have been obtained will the charters of ratification be exchanged. The final decision on this matter depends upon the progress and results of the negotiations on financial questions, which were inaugurated at the same time.

The second part consists of an agreement as to the manipulation of import and export prohibitions in their bearing upon mutual traffic, and this agreement came into force administratively on June 1<sup>st</sup> 1921. In its essentials it involves a modification of the existing practice regarding import and export licences. Thus, for certain goods import or export contingents have been fixed upon, for other goods the existing practice has been retained, while for others a facilitation of the existing practice has been conceded, with special reference to the requirements of the health resorts and the sample fairs.

In addition to this, both contracting parties have made extensive reciprocal concessions in a large number of cases. In general, the agreement represents a great facilitation in dealing with import and export prohibitions, and will certainly tend to enhance mutual trade. To a certain extent it prepared the way for the abolition of the control of foreign trade, which in any case will be carried out at no great length of time. The agreement is naturally based upon concessions and counter-concessions.

### III. *Agreement with Jugoslavia.*

After preliminary negotiations resulting in a mutual agreement on commercial affairs, the latter was signed on October 18<sup>th</sup>, 1920. It consists of an agreement as to the contingents of goods for export from Czechoslovakia to Jugoslavia and vice versa, and of an agreement temporarily adjusting commercial relationships between Czechoslovakia and Jugoslavia. The agreement as to contingents will remain in force until June 30<sup>th</sup> 1921,

and can be supplemented by new agreements. The agreement is based upon a mutual recognition of free exports in the case of agricultural and industrial products, to an extent in accordance with requirements. The agreement distinguishes between goods, the export of which is permitted in annual contingents, and those the export of which is permitted only for a specified period. Yugoslavia guarantees the delivery of 6,000 truck-loads of wheat, 300 truck-loads of lard, 100 truck-loads of bacon, 100 truck-loads of preserved meat, 10,000 truck-loads of iron-ore, 600 truck-loads of manganese-ore, as well as smaller quantities of pyrites, lead, hoop-iron, hemp, soda, etc. Czechoslovakia sanctions the following exports to Yugoslavia: 3,200 truck-loads of coke, 1,500 truck-loads of coal for railways, 1,200 truck-loads of pit-coal, 300 truck-loads of coal for stream navigation, 2,500 truck-loads of sugar, crude iron, tinplate, machine parts, agricultural machinery and appliances, 520 truck-loads of plate glass, 220 truck-loads of paper, and 400 truck-loads of various other industrial products. The agreement as to contingents involves a mutual release and stabilisation of restricted trade.

The purpose of the general temporary commercial agreement is to establish a firm basis for trade relations between Czechoslovakia and Yugoslavia. Above all, upon the principle of maximum advantages, it fixes import dues, provides for alleviated customs formalities, the establishment of industrial concerns, transaction of business, freedom of transit, quick transport facilities, and in all these cases both States grant each other maximum tariff advantages.

The agreement holds good until June 30<sup>th</sup>, 1921, when it can be renewed.

#### *IV. Agreement with Rumania.*

The commercial agreement between Czechoslovakia and Rumania was signed at Bucharest on April 23<sup>rd</sup>, 1921. It is concluded on the broad basis of pre-war commercial treaties embodying the principle of maximum advantages, and it regulates all important problems of political economy guaranteeing to the subjects and goods of both States concerned all advantages granted to any other State. As regards customs, the clause of maximum advantages means that Czechoslovak goods in Rumania and vice versa will be dealt with according to the minimum customs tariffs. To enable industrial undertakings and banks to establish branches in the two respective countries, a system of reciprocity was adopted. One of the most important clauses is that relating to transport and communication. In addition to a number of regulations adopted for the control of railway transport and navigation on the Danube, all matters affecting the postal, telegraphic and telephonic services were settled by special agreements. Free transport of goods has been guaranteed.

As regards the exchange of goods, Czechoslovakia will supply Rumania with industrial products of all kinds, and in return will receive cereals, naphtha and other raw materials. The agreement, no doubt, will contribute very much to the further economic development of both countries. It is supplementary to the political and military conventions already arrived at between Czechoslovakia and Rumania who are both members of the Little Entente.

#### *V. Agreement with Bulgaria.*

The economic agreement between Bulgaria and the Czechoslovak Republic, concluded in August, 1920, is of an administrative character, and consists of two parts. The first part adjusts the question of exports and imports, and ensures the legal status of Czechoslovak firms in Bulgaria. The second part deals with mutual supplies of commodities.

The agreement does not touch upon those questions included in the terms of the Neuilly Peace Treaty, and embracing a settlement of the principle of maximum advantages, the status of Czechoslovak subjects in Bulgaria and the principle of free transit. According to the Peace Treaty, from the day upon which it comes into force, for a period of one year, Czechoslovakia is guaranteed the contract (minimum) customs tariff of former Austria-Hungary. Customs and other facilities, granted by Bulgaria to any State whatever, must be granted also to Czechoslovakia as one of the Associated and Allied Powers.

By the agreement Bulgaria binds itself to supply Czechoslovakia with 1,300 truck-loads of wheat, 2,000 truck-loads of maize (which amount can be increased by a further 3,000 truck-loads at the request of Czechoslovakia) from last year's harvest. Moreover, Czechoslovakia is entitled to 8,000 truck-loads of wheat, 7,000 truck-loads of maize, 1,000 truck-loads of rye, 1,000 truck-loads of barley and 1,000 truck-loads of millet, from the new harvest. In return for this, Czechoslovakia will supply Bulgaria with industrial products (agricultural machinery and implements, sugar, etc.). Special advantages were guaranteed to Czechoslovak goods in Bulgaria. The agreement included the principle of payment for goods in the currency of the State selling them, as well as the clause relating to the transit of goods on the basis of reciprocity. The agreement is to hold good for one year, reckoned from the day upon which the ratifications are exchanged.

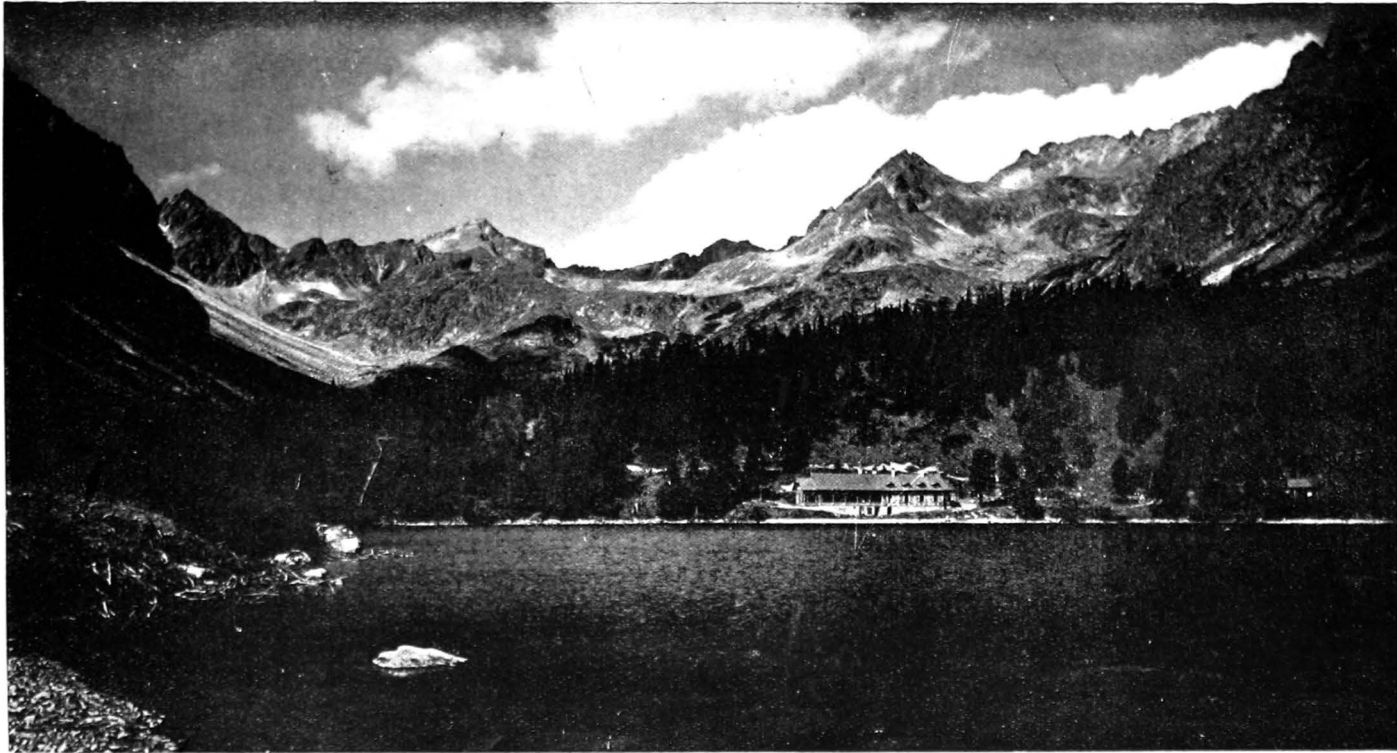
#### *VI. Agreement with Italy.*

Negotiations with a view to a fixed commercial agreement with Italy were inaugurated by Dr. E. Beneš, Czechoslovak Foreign Minister,

during his visit to Rome, and a treaty between the two countries was concluded on March 23<sup>rd</sup> 1921. This agreement is to remain in force until December 31<sup>st</sup>, 1925, and will then be automatically renewed unless notice of its termination has been given a year previously. In addition to clauses providing for the reciprocal protection of the interests and liberties of subjects of the two States concerned, the agreement contains a clause embodying the principle of maximum mutual advantages, but reserves the possibility for both States to dispense with this clause as regards customs tariffs, if either side wishes to abolish this form of agreement for all States. As regards tariffs, neither side has assumed any obligations. The basis of the treaty is similar to that underlying the commercial treaty between France and Czechoslovakia, which provides for the unhindered import and export of a certain amount of specified goods between the two countries. Another agreement, which is to remain in force for one year, will arrange for a partial abolition of many restrictions existing between the two States in matters of import and export. For the most part the Italian merchandise which, under the treaty, is admitted into Czechoslovakia, consists of foodstuffs and raw materials, while Czechoslovakia is chiefly interested in the sale of her manufactured goods. Large quantities of wine, fish, fruit, spring potatoes, macaroni, vegetables, oranges and mandarines, figs, dried fruit, rice, and cooking salt are among the permissible imports into Czechoslovakia, as well as chemical products, raw silk, Venetian pearls, soap, perfumery, motor-cars and cycles, electro-technical materials, etc. Czechoslovakia may export to Italy, among other goods, an equal number (1,000) of motor-cars, 100 motor ploughs, woollen carpets, lace and embroidered linen, furniture, toys, glassware, pianos, coffee substitutes, 100 waggon-loads of paper, 20,000 tons of sugar, and 50,000 bottles of liqueurs.

Special advantages have been granted to the Czechoslovak Republic in trade carried on via Trieste, where a Czechoslovak Customs Office has been established for facilitating the necessary formalities. This office will act in conjunction with the Italian authorities, and the result of their activities will be that goods unshipped at Trieste, and intended for delivery in the Czechoslovak Republic, will be conveyed to their destination without being detained on the Czechoslovak frontiers by the customs officials.

Business relations between individuals and firms belonging to the Czechoslovak Republic with those of the new Italian territories have been adjusted as regards questions of claims and debts. Another paragraph of the agreement is concerned with arrangements for the payment of sums due by the Czechoslovak Government to Italy for supplies of foodstuffs and other goods. The agreements which have been arrived at represent a thoroughly satisfactory solution of the important



Poprad Lake (Tatras).

problems of an economic, juridical, and financial character involving the interests of the two States.

#### VII. *Agreement with Switzerland.*

By an exchange of notes with the Swiss Department authorised to conclude commercial agreements with foreign countries, the Czechoslovak Republic has renewed the validity of the former commercial agreement concluded on March 9<sup>th</sup>, 1906, between Austria, Hungary and Switzerland. This renewal was effected on March 6<sup>th</sup>, 1920, for a period of three months, and applies to the customs area of the Czechoslovak Republic. It can at any time be renewed for a further period of three months, and it can be terminated by notice given one month before the lapse of the period for which the agreement was concluded for an additional three months. The agreement contains an additional clause providing for preferential treatment — i. e., without further formalities Switzerland will derive advantages from new agreements which the Czechoslovak Republic may conclude with any other State. This agreement is incorporated in the enactments of the Government of the Czechoslovak Republic, May 18<sup>th</sup>, 1920.

In March 1921 a new compensatory agreement was arrived at between Czechoslovakia and Switzerland, according to which the former is to furnish 2,200 wagon-loads of sugar, on condition that, by way of part compensation, Czechoslovakia will purchase foodstuffs, raw materials, half-finished and manufactured goods from Switzerland to a total value of 24,000,000 Swiss francs.

#### VIII. *Agreement with Poland.*

The first agreements concluded with Poland by Czechoslovakia on August 21<sup>st</sup>, 1919, and March 12<sup>th</sup>, 1920, were of compensatory character. The former agreement was broken off by Poland, while the latter agreement is still in force, its purpose being to adjust the exchange of Czechoslovak coal for Polish naphtha. In addition to this a new agreement was signed at Prague on September 24<sup>th</sup>, 1920, which is concerned mainly with transport, customs, and passport matters. By a new commercial agreement concluded on September 27<sup>th</sup>, 1920, it was arranged that the Czechoslovak Government should supply Poland with 37,000 tons of coal and 15,000 tons of coke per month. A further 10,000 tons of coal and a proportional quantity of coke per month will be added if the Polish Government makes application accordingly. In exchange for the coal Poland will supply Czechoslovakia with 7,083 tons of raw naphtha and 1,250 tons of naphtha products monthly. The prices of the coal and

naphtha will be fixed in accordance with the prices current for home consumption in the respective States, and payment will be made in advance. This agreement does not affect the reciprocal obligations resulting from agreements concluded previously. The agreement came into force in September, 1920, and will hold good until a decision has been reached with regard to Upper Silesia. Negotiations are in progress for the conclusion of a general commercial treaty.

#### *IX. Agreement with Hungary.*

The preliminary discussions at Bruck and Marienbad, where Dr. Beneš, the Czechoslovak Minister for Foreign Affairs and Dr. Hotowitz, the Minister for Foreign Trade met Hungarian representatives, proved satisfactory, and there is every reason to believe that the conferences held in Prague and Budapest respectively will settle all the important questions relating to finance, transport, customs, and mutual exchange of goods. After these proceedings had continued for several weeks, they were suspended on July 2<sup>nd</sup>, for technical reasons, and will be resumed later on.

The negotiations concerning railways, posts and river transport have reached a very advanced stage. A temporary administration for the exchange of goods was established to last until the end of August 1921 with due regard to the provisional export and import restrictions. This arrangement applies in particular to the deliveries of Czechoslovak coal and coke, and Hungarian foodstuffs. Very careful attention has been paid to the questions affecting closer economic relations between the two countries, and favourable results are hoped for. The first stage of the financial negotiations has been dealt with, and the problems arising from the adjustment of mutual credits and debts have received a thorough investigation.

#### *X. Agreement with Greece.*

Overtures have been made to Greece for the conclusion of an agreement embodying the principle of maximum advantages, with the customs rates of the former Austro-Hungarian customs tariff diminished in accordance with the rates established by the autonomous Czechoslovak tariff of May 12<sup>th</sup>, 1919. Proposals have also been made to negotiate for a further reduction in the customs dues, and for the import of raisins and dried figs. The Czechoslovak proposal will very shortly form the subject of negotiations between the Czechoslovak Republic and the Kingdom of Greece.

## XI. *Agreement with Great Britain.*

The negotiations with Great Britain for the conclusion of a commercial agreement are still in progress. Its general scheme dates from the period of the Peace Conference. On the English side it was formulated in accordance with the pattern of other agreements which restricted themselves to a mutual guarantee of maximum advantages in all matters relating to import, export and transit, as well as trade and navigation as a whole.

An enquiry in London concerning the political position of the English colonies in this respect elicited the statement that, as far as the British dominions, colonies, possessions and protectorates do not enter into a separate agreement, their goods will be entitled to maximum advantages in Czechoslovakia, provided that they grant a similar privilege to Czechoslovak goods.

In addition to the commercial agreement, negotiations were also started in January 1921 for the desquestration of property and claims belonging to Czechoslovak subjects in Great Britain, and there is every hope that this matter will also be satisfactorily settled within a short time.

From the very beginning, trade between Czechoslovakia and Great Britain has developed in a most favourable manner. Statistics derived from the import and export licences granted in the year 1919 show that the exports from England to Czechoslovakia attained a value of 328 million Czechoslovak crowns, while the value of the imports into England from Czechoslovakia was 238 million crowns. The statistics for 1920 contained particulars of imports and exports only by weight.

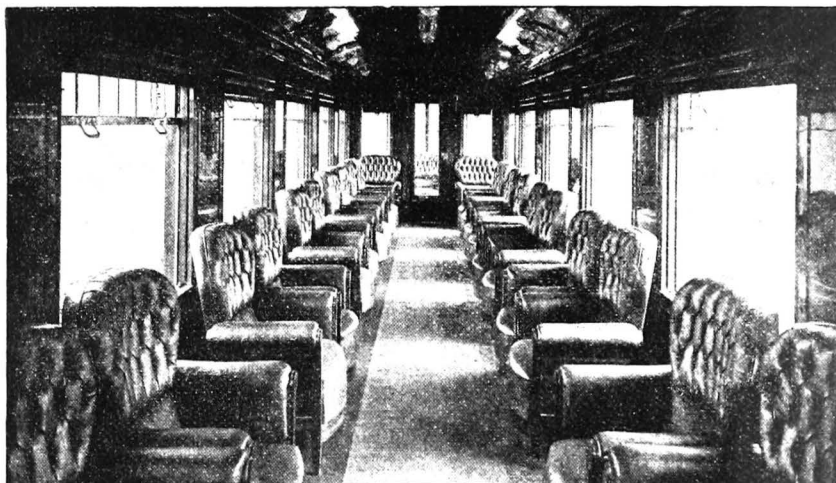
Czechoslovakia purchases in Great Britain, and especially in the London markets, various colonial goods, oil-seeds and raw materials for the manufacture of soap and artificial fats, hides, mother-of-pearl and other raw materials for the manufacture of buttons etc., ores, copper, tin and other metals, cast-iron, resin, Egyptian and Indian cotton, also cotton of American origin (in Liverpool), together with jute, Australian and South African wool, fine cotton yarn, carded woollen yarn, and partly also cloth etc. Other imports include various kinds of textile and tool-making machinery. In 1919 the purchases of soap, chemicals and mineral oils effected through English agency were remarkably high. The chief import items for 1920 are cotton, jute, wool and metals.

Czechoslovakia can supply England with sugar, malt, hops, beer and mineral waters, spirits, timber, kaolin, cellulose, paper, glass, porcelain, gloves, linen, neck-ties, wooden toys, frames and racks, bentwood furniture, writing and drawing requisites etc. The statistics for 1920 show that the largest export items were hops, malt, sugar, paper and papier mâché, and especially various types of glassware.



## XII. *Agreement with the United States.*

No commercial agreement has yet been concluded between the Czechoslovak Republic and the United States of America. During the period immediately following the establishment of the Republic, when it was still exhausted through the effects of the war, the imports from the United States exceeded the exports to that country. It was from the United States that Czechoslovakia derived its chief supplies of food-stuffs, which were imported as the result of a special Government credit grant



Pullman Car on American Railway. Made by Ringhoffer, Smíchov, Prague.

of about 45 million dollars, and of fats, for which there was also a credit grant of about 14 million dollars. Food-stuffs and fats were also imported from America by individual private concerns. Since 1920 however, it is obvious from statistical data that Czechoslovakia has been exporting more to the United States than vice versa. Thus in 1920 the value of goods exported to the United States was 10,154,627 dollars, while the value of those imported from the United States was 7,077,579 dollars, the balance in the favour of Czechoslovakia amounting to 3,077,048 dollars. In the first quarter of 1921 the value of Czechoslovak exports to the New York area was 1,869,230 dollars, while the imports from the same area were valued at 712,378 dollars, the credit balance in this case being therefore 1,156,852 dollars.

The most important goods exported to the United States comprise Gablonz coral beads, imitation precious stones, ornamental glassware and other glass products, polished gems and jewellery, furniture, toys, musical instruments, moulded steel, ornamental feathers, furs, hats etc.

### XIII. *Commercial relations with other countries.*

As regards Russia, a special commercial mission has been appointed which will enter into connection with the Russian authorities to establish an agreement for the exchange of Czechoslovak industrial products for Russian raw materials. Special consular representatives have also been nominated for the Russian border States, Esthonia, Lithuania and Latvia.

The Dutch Government has agreed to regulate its relations with Czechoslovakia by an exchange of notes, guaranteeing in general the principle of maximum advantages for mutual imports, exports, transit and shipping, as well as for enabling subjects of Holland and Czechoslovakia respectively to carry on trade in either country. There are no commercial treaties with the Scandinavian States, but the commercial legislation and foreign trade regulations of these countries permit the maintenance of the principle of reciprocity.

The commercial treaties already concluded, as well as those still being arranged between Czechoslovakia and other countries, will be necessarily followed by a complete reform of the general trade policy of the country. The new customs tariff is being prepared, and a Bill dealing with the whole trade policy of the country will be submitted to Parliament very shortly. The State will retain control only of a few exceptional commodities, and that only as long as it appears to be in the interests of the community. Recently the Government issued detailed extensive lists of goods, the import and export of which is permitted without restriction. As a matter of general policy, the Czechoslovak Government, as well as influential industrial and commercial circles, favour the abolition of all restrictions, and a return to individual enterprise as soon as the special circumstances necessitating a system of trade-control no longer prevail. The foundation of a firm basis for the development of foreign trade by the conclusion of commercial treaties is the first step in this direction.

#### 3. THE CUSTOMS POLICY OF CZECHOSLOVAKIA.

By a legal enactment of February 20<sup>th</sup> 1919 the Czechoslovak State was constituted as an independent customs area, and customs frontiers were established for goods from the other territories formerly comprising Austria-Hungary. The organisation of the customs offices and the customs service was left on its previous basis, which was the result of many decades of practical experience. The scale according to which customs dues were to be levied upon goods imported into Czechoslovakia was also taken over from the details of the autonomous customs tariff of Austria-

Hungary, in force from February 13<sup>th</sup> 1906 onwards. Those customs dues, the payment of which had to be made in gold, had been made liable to a currency increase of 150 per cent by the Austro-Hungarian authorities towards the close of the war, and this was later raised to 200 per cent by the Czechoslovak Finance Ministry. On May 12<sup>th</sup> 1919 a new autonomous Czechoslovak customs tariff was issued, and it came into force on July 20<sup>th</sup> of the same year. This tariff indicated the customs rates in francs for a variety of goods included under the heading of luxury articles, or for categories of goods demanding a special customs protection. In the case of other goods the above-mentioned autonomous customs tariff of Austria-Hungary was retained with an increase of 200 per cent for the purpose of partially making up for the depreciation in value of the Czechoslovak crown. In the case of a large number of customs items, comprising chiefly semi-manufactured goods, or goods of indispensable necessity, the dues were levied without any increase, while the dues on corn, seeds, cattle, raw materials, and auxiliary materials, raw mineral oils etc. were entirely abolished. At the period when the Czechoslovak rate of exchange was low in reference to the gold parity, this Czechoslovak customs tariff was entirely inadequate for the protection of home manufactures, in the interests of which, and in view of the procedure in neighbouring states, where the customs increases had mounted rapidly, it was therefore necessary to effect a fundamental increase in the currency additions to the customs dues. After the last increase which was introduced on December 1<sup>st</sup> 1920, these currency additions amounted to 900 per cent for the 1<sup>st</sup> category of goods, 600 per cent for the 2<sup>nd</sup> category, and 200 per cent for the 3<sup>rd</sup> category.

The new policy of commercial agreements recently entered upon by the Czechoslovak Government, and the gradual abolition of licences demanded a change in the customs tariff which had hitherto been in force. At the end of 1920 the preliminary steps were therefore taken towards establishing a new autonomous customs tariff for the Czechoslovak Republic. When the system of licences for foreign trade is done away with, this tariff is to provide the necessary measure of protection for home agricultural and industrial products. Thus, this tariff is to form also a basis for the future trade policy of the Czechoslovak State, and for agreements with other States, in which similar endeavours will naturally make themselves felt.

The preliminary measures for establishing the new customs tariff were entrusted to a commercial-political commission of the Associated Chambers of Trade and Industry, Agricultural Councils and the Central Union of the Czechoslovak Industrialists, in close co-operation with a special department of the Ministry for Foreign Trade, and the other Ministries concerned. Until the new customs tariff is issued, the

enactment passed by the Czechoslovak Government on May 21<sup>st</sup> will hold good. In accordance with this enactment, which came into force on June 1<sup>st</sup> 1921, the customs rates with the currency increase are decided by the product of the nominal rates and appropriate co-efficients. Every item of the customs tariff comprising the nominal rates is provided with an appropriate co-efficient, which is graded variously, according to the fundamental factors which decide the standard of customs protection. The highest co-efficients (16, 13, and 10) apply to articles of luxury, or to specially protected manufactures. For goods with lower protection and half manufactured goods the co-efficient is 7, while for goods, the import of which is being facilitated, the lowest co-efficients (5, 3 or 1) are used. As mentioned above, this arrangement applies only until the new customs tariff is sanctioned by the legislative committees, and comes into force.

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## CHAPTER VIII.

# TRANSPORT.

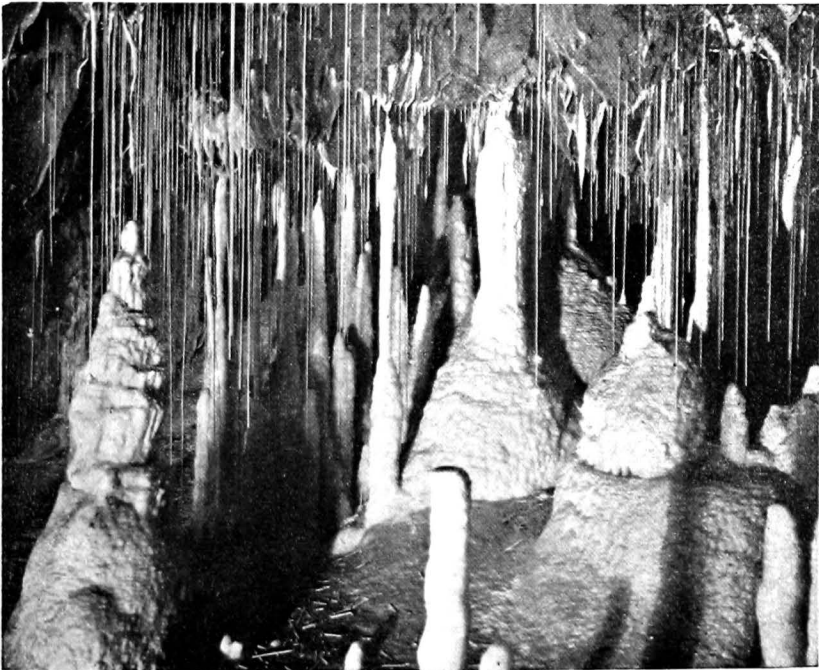
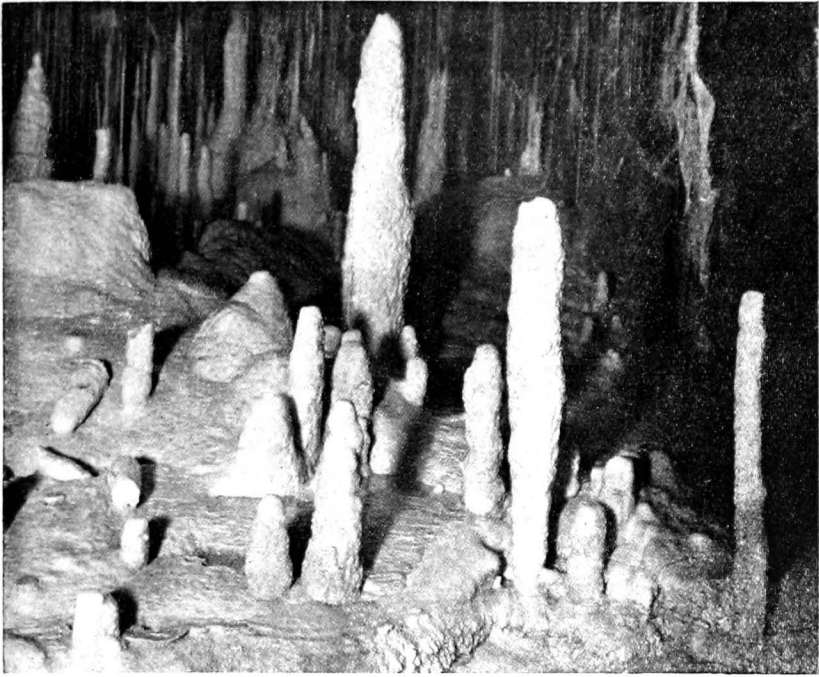
### 1. RAILWAYS. .

The most important means of transport in Czechoslovakia, which, like Switzerland, is an inland European State with no sea-coast, are the railways, the total mileage of which amounts to 13,362 kilometres, (somewhat over 8,000 miles) forming a dense network of lines, especially in the western provinces of the Republic. Bohemia alone accounted for 38 per cent of the total railway mileage of the former Austro-Hungarian Empire, and in Bohemia, Moravia and Silesia (the western provinces) together, there is 1 *km* of railway to every 8,6 square *km* of territory. In Slovakia and Carpathian Ruthenia the corresponding proportion is 1 *km* of railway to every 20 sq. *km* of territory.

The first steam railway on Czechoslovak territory was opened in 1845 between Olomouc and Prague. It was not until the sixties of last century, however, that the railway system underwent any considerable development.

The Czechoslovak network of railways was constructed as an integral part of the railway system in former Austria and Hungary respectively, at a time when, for political reasons, all trade necessarily tended to gravitate towards the centres of the Empire, Vienna and Budapest, that is, from north to south. Present-day circumstances, however, have brought about a change resulting from the tendency now followed by Czechoslovak commerce, which is directed from west to east. It is therefore extremely important that the network of railways should be arranged so as to bring about a direct connection between Moravia, Slovakia and Carpathian Ruthenia.

To meet all requirements, the Czechoslovak National Assembly on March 30, 1920 allotted 6,481,050,000 Czechoslovak crowns to the improvement of the railway service, for overhauling its machine-shops, railway-yards and stations, for replacing the engines and carriages that were destroyed and lost during the war, and for increasing their number to meet the requirements of the increased traffic. Double tracks will be



Cavern with Stalactites and Stalagmites - Moravia.

installed on the important lines and new lines will be constructed. The expenditure of the above sum is to be distributed over five years, beginning in 1921. It may be mentioned that this expenditure will also be applied to the improvement of the railway service in greater Prague and the other large centres in the Republic. Thus a sum of 322 million Czechoslovak crowns has been reserved for greater Prague; 73 million crowns for Brno (Brünn); 41 million crowns for Olomouc (Olmütz); 75 million crowns for Bratislava (Pressburg) and 30 million crowns for Košice (Kaschau).

The most important arteries of international passenger and freight traffic in the Republic will probably be the following lines: Cheb (Eger) — Plzeň (Pilsen) — Prague — Česká Třebová — Olomouc (Olmütz) — Bohumín (Oderberg) — Žilina — Košice (Kaschau); Podmokly (Bodenbach) — Prague — Čes. Budějovice (Budweis) — Hor. Dvořiště; Česká Třebová — Brno (Brünn) — Břeclava — Bratislava (Pressburg) — Parkan. The total number of engines required is about 4,500. At present there are about 3,612 railway engines and about 8,500 carriages for the passenger and mail service, together with 65,000 goods trucks. The total number of goods trucks necessary for the normal working of the State railways is 136,500.

In accordance with the terms of the Peace Treaty relating to the distribution of the former Austro-Hungarian rolling-stock among the Succession States, 33,000 railway carriages, trucks and other conveyances were assigned to Czechoslovakia. Together with the 28,000 carriages supplied by the home industry during these last two years, and those already in possession of the State, the supplies of rolling-stock have greatly contributed towards the improvement of the traffic conditions, which are rapidly approaching the normal.

During the period 1921—1925 two State plants for the building of engines will be established in Prague and Brno. There are now three private concerns engaged in manufacturing railway engines, the largest being the Škoda Works at Plzeň, whose total output is more than 200 engines a year.

It has already been mentioned that there are 13,362 *km* of railways in Czechoslovakia. Of this total, 11,572 *km* belong to the State, while the remaining 1,790 *km* are owned by private companies. There is a double track over 1,291 *km* of the State railways, and over 322 *km* of those in private hands. The traffic for 1919 amounted to 135,357,500 persons and 36,420,300 tons of goods.

Owing to the natural situation of Czechoslovakia, the resumption of normal industrial and traffic conditions in Europe will make it necessary for the Czechoslovak railways to carry a considerable amount of foreign transit freight, not only from north to south, but also from west to

east and vice versa. At present there are direct trains from Prague to Vienna, Budapest, Berlin, Paris, Rome, Triest, Belgrade and Bucharest, and special express trains between Paris—Prague—Warsaw and Berlin—Prague—Vienna.

By a parliamentary enactment of February 27<sup>th</sup> 1921, the Central Czechoslovak Railway Council was established as a consultative body of the Railway Ministry. Its duties will be consultative with the following branches of railway management: Schemes for the construction of new lines, planning time-tables, and adjustment of regulations affecting changes in tariffs and time-tables. By the same enactment, the railway boards of management have been established as consultative bodies for the purpose of dealing with important local railway affairs.

## 2. THE POSTAL SERVICES.

There are 5,000 post offices in Czechoslovakia with a postal staff of 45,000 persons. According to the statistics of 1916 there are 15,898 kilometres of telegraph lines. The number of public telephones is 1,500 and there are 60,000 telephone subscribers. The total length of local telephone communications is 12,451 kilometres, while the length of the trunk lines is 6,109 kilometres. During the last two years another 4,500 kilometres of telegraph and 9,000 kilometres of telephone lines have been added.

Post Office Savings Banks, which were established after the revolution of 1918 on the model of those at Vienna, transact an enormous amount of business. The staff numbers 1,600 and the total annual sums dealt with in 1920 amount to 112,315,880,000 crowns.

The Czechoslovak Government adheres to the international convention relating to posts, telegraphs and radio-telegraphs. From now onwards, press telegrams will be sent at a reduction of 50 per cent.

The postal administration has begun to establish a systematic motor-car service for passenger traffic. On October 31, 1920, there were 47 such routes with a total length of 972 *km*, as compared with 20 routes with 470 *km* in 1914. Requests have been made from all parts of the Republic for another 300 new routes, and these are under consideration by the Ministry of Posts. On August 15<sup>th</sup> an aerial post was started between Paris—Prague—Warsaw. A similar undertaking is being organised within Czechoslovakia on the route Prague—Bratislava—Uzhorod.

There are 7 radio-telegraph stations in Czechoslovakia, of which that in Prague is particularly well equipped and can communicate with all the European centres.

## 3. WATERWAYS.

Czechoslovakia, being an inland State, was granted by the Peace Treaty special privileges in the German ports of Hamburg and Stettin,



with which it is connected by the internationalised rivers Elbe and Oder. These circumstances are of great importance to Czechoslovak foreign trade. The advantages on the internationalised Danube, which Czechoslovakia derives as a Danubian State, and the right of free transport and special trains to the Adriatic ports and the Balkan countries via Austria and Hungary, are also of great significance, as they counter-balance the drawbacks resulting from the inland position of the Republic.

The rivers of Czechoslovakia which serve as arteries of traffic are few in number but are of great importance. There are no canals to speak of, but some of the rivers have been partially canalised. The great commercial waterways are the Elbe (known in Czech as the Labe), the Vltava (Moldau) and the Danube. The Oder rises in Czechoslovakia, but is not yet of commercial significance. The Vistula also rises in Czechoslovakia, but carries no traffic from or to the country except in connection with the railways.

The *Elbe* with a pre-war annual traffic of 3·5—4 million tons of goods, together with the *Vltava*, its navigable tributary, is of the greatest importance to the foreign trade of Czechoslovakia. The completed canalisation of the *Vltava* brought about direct communication between Prague, the Czechoslovak capital, and Hamburg, which will naturally contribute towards increasing the importance of the river. The distance between these two places is 482·5 miles, and a steamer without cargo can perform the journey from Prague to Hamburg in 4 to 5 days, a loaded barge in about two weeks. The average width of the Czechoslovak Elbe is about 110 metres, and the depth varies from about 50 centimetres at low water mark to 11 metres or even more at high tide. Between 1907 and 1916, the average number of days per year upon which navigation was possible amounted to 183.

The number of vessels has not altered much since that date. The downstream export traffic in 1913 amounted to 190 ship-loads, or 51,482 tons from points on the *Vltava*, and 4,162 ship-loads, or 783,259 tons from points on the Elbe below Mělník. There were also 4,459 rafts, carrying 525,919 tons of lumber. The upstream import traffic in 1913 to points on the *Vltava* amounted to 126 ship-loads, or 31,824 metric tons, and to points on the Elbe below Mělník it was 7,230 ship-loads, or 2,258,671 metric tons. The pre-war goods traffic on the *Vltava* from Čes. Budějovice (Budweis) to Prague amounted to an average of 800,000 tons (chiefly timber), and 50,000 persons were conveyed over this route during the same period annually. The goods exported on the Elbe are as follows: lignite, sugar, corn, timber, fruits, glass etc. The chief imports are: artificial manure, iron, iron-ore, salt and cotton. On the International Elbe Commission, Czechoslovakia has two out of ten members.

The chief *Elbe* ports are Ústí (Aussig), Děčín (Tetschen), Loubí, Krásné Březno (Schonpriesen), Mělník, Ústí is the most important harbour on the Elbe, with an annual goods traffic of 1·9 million tons and a passenger traffic of 300,000 persons. There are seven steam cranes with a daily capacity of 1,300 tons. It has two ports with an area of 93,400 square metres. Here it is interesting to note that even before the war the freight conveyed to the Czechoslovak territories via Ústí exceeded that handled at Trieste for the same destination. At Mělník, where the



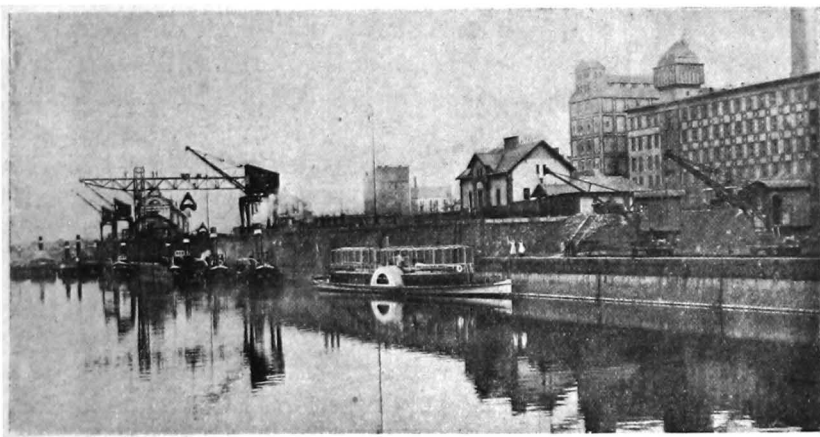
The Docks at Bratislava.

Vltava joins the Elbe, the loading and unloading capacity of the port is 800 tons per day. In anticipation of the increase in traffic, the lower dock is being enlarged, and a new large dry dock will be constructed. At Krásné Březno there are nine steam cranes with a daily capacity of 800 tons. Děčín and Loubí have 20 steam cranes, with a capacity of 1,800 metric tons a day. The three important *Vltava* ports viz. Prague-Holešovice (capacity 400 tons), Prague-Karlín (capacity 100 tons) and Kralupy must also be mentioned here. Their importance has been considerably increased by the establishment of direct connection between Prague and Hamburg.

As regards the *Danube*, there is no doubt that an extensive trade on this river may be anticipated. According to pre-war statistics, nearly

2 million tons of goods were shipped on the Danube from centres which are now incorporated in the Czechoslovak Republic. The equipment of the port of Bratislava (Pressburg) is being energetically taken in hand, and with a view to the future development of navigation on the Danube, the construction of large docks in that city is contemplated by the Czechoslovak Government. The daily capacity of the port has increased during the last two years from 400 tons to 2,100 tons (in March 1921). Another Czechoslovak port on the Danube is Komárno where large docks will be established.

The traffic on the Danube and the Elbe will, during 1922, be placed in the hands of two shipping companies recently formed in Prague



Prague Docks.

with the participation of the State. The two concerns are the Czechoslovak Elbe Shipping Company and the Czechoslovak Danube Shipping Company, each having 125 million crowns of capital. In accordance with the Peace Treaties they will take over from Germany, Austria and Hungary, the tonnage allotted to Czechoslovakia which consists of the following: on the Elbe: steamers, tugs and cargo boats making a total of 16,200 h. p. and 174,446 tons together with the respective warehouses etc. to a value of 8,350,000 gold marks; on the Danube: 3 passenger vessels of 1,440 h. p., 7 tug boats of about 5,000 h. p. and 116 boats of 70,660 tons, to a value of 7,350,000 Swiss francs. The free and unrestricted traffic on the Elbe and the whole navigable basin of the Danube has been secured by the new Elbe and Danubian enactments recently concluded between the interested States.

The *Oder* is navigable from Czechoslovakia to the Baltic and is used chiefly for the import of Swedish and Russian iron-ore. The Treaty of Versailles has designated it an international stream to be admini-

stered by an International Commission, on which Czechoslovakia is given one representative out of eight. She is also accorded privileges in the port of Stettin.

Reference has already been made to a scheme for linking up the Elbe and the Danube by means of a navigable canal. If this plan is carried out, it will be of the utmost importance not only to Czechoslovakia but to the whole of Central Europe, as it will bring about a system of direct transport from the North Sea and the Baltic to the Black Sea. All the preparations are now completed, and the section of the Elbe from Ústí n./L. (Aussig) to Neratovice (50 miles) has already been canalised. Operations are in progress between Neratovice and Pardubice, the next stage of the route, and may be completed within ten years. At Pardubice the navigable channel will leave the Elbe and will be directed by an artificial canal (110 miles long) towards the Danube via Pardubice-Přerov (Prerau, Moravia). At the Bohemian-Moravian frontier, the canal will cross the watershed dividing the rivers of the North Sea from those of the Black Sea at about 1,000 feet above sea-level. The descent towards the Danube will be effected through the whole of Moravia by the Přerov-Bratislava (Pressburg) Canal which is 112 miles long. Another important scheme is that of the Danube-Oder Canal, the completion of which will also be one of the duties of the Czechoslovak Government in the next few years.

The Peace Treaty vested the Czechoslovak State with the right to make full use of certain wharves in the ports of Hamburg and Stettin. From the previous references to the Elbe, it will be seen that Hamburg in particular has always been of great importance to the Czech territories. This is still more the case under present conditions, now that Czechoslovakia is an independent State. The quantity of goods imported in 1920 to Czechoslovakia via Hamburg, amounted to 514,658 tons. This figure, however, cannot be taken as a measure of the activities of Czechoslovak trade and industry, as the full development of the traffic was hindered by many obstacles. As regards Trieste, Italy granted Czechoslovakia several facilities in this port, and allowed a Czechoslovak custom house to be established there. The fact that Trieste is much farther away from the Czechoslovak commercial centres than the port of Hamburg, (the distance of Hamburg from Czechoslovak territory is 665 *km* as compared with the Trieste route, which is 832 *km* long), and the disadvantage of expensive and slow overland transport by rail through Austrian territory, hamper the free development of direct traffic between Czechoslovakia and this port. Trieste will however, always be an outlet for traffic with the Mediterranean countries, and to some extent with the East. It is also the base of the Czechoslovak sea-going steamer "Legie".

## CONCLUSION.

A review of Czechoslovak financial, industrial, and trade activities for the past two years reveals a distinct improvement, and it may safely be said that the country is slowly, but surely, progressing towards prosperity. The State budget shows no deficit, the revenue and expenditure each amounting to 14 milliards. A noteworthy feature of the financial position has been the amalgamation of a considerable number of banks and industrial establishments into powerful groups. Industry has suffered seriously from a lack of raw materials and coal, deficiency of rolling stock and the high cost of production. Nevertheless large quantities of raw materials have been imported to keep the various industries going at 40 to 60 per cent of their capacity. The coal question has been satisfactorily settled by the adjustment of the Teschen dispute, though in accordance with the provisions of the Peace Treaty, considerable quantities of coal must be exported to the neighbouring countries at the expense of the local industries. A very large sum has been earmarked for new railway construction and the building of engines, wagons and trucks, the scheme being distributed over a period of five years. The enormous natural wealth of Slovakia is now being extensively exploited.

Thus the economic and financial situation of Czechoslovakia is steadily improving, as was only to be expected in view of the natural wealth of the country, and the perseverance and frugality of the people. The Republic will sooner or later occupy an important place among the other European States, and will become the most important and active factor in Central Europe. The great industrial crisis by which the whole world is affected has naturally been felt throughout the country, and has hindered the full development of Czechoslovak foreign trade. Conditions are improving, however, as time goes on, and the conclusion of commercial treaties with the Great Powers and neighbouring States bids fair to bring in its train that measure of prosperity to which Czechoslovakia, with proper management, may justly lay claim.

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# SKETCH MAP OF CENTRAL EUROPE, SHOWING THE LOCATION OF THE CZECHOSLOVAK REPUBLIC.



## APPENDICES.

APPENDIX A.

THE PRONUNCIATION  
OF CZECH AND SLOVAK WORDS.

(In "Czech", the English spelling of *Čech*, the *cz* is pronounced like "ch" in "cherry", and the final *ch* like "ch" in the Scotch "loch" — or like the German "ch" in *Buch*.)

All the consonants are pronounced like their English equivalents with the following exceptions:

<i>c</i> (unmarked)	is pronounced like	<i>ts</i>	in	<i>its</i>
<i>j</i>	"	"	"	<i>y</i> " <i>yes</i>
<i>ch</i>	is a guttural	"	"	<i>ch</i> " Scotch "loch"
<i>č</i> (marked)	is	"	"	<i>ch</i> " <i>cherry</i>
<i>d'</i> = <i>ď</i> (marked)	"	"	"	<i>di</i> " <i>radiant</i>
<i>ň</i>	"	"	"	<i>ny</i> " <i>canyon</i>
<i>š</i>	"	"	"	<i>sh</i> " <i>she</i>
<i>t'</i> = <i>ť</i>	"	"	"	<i>t</i> " <i>tube</i>
<i>ž</i>	"	"	"	<i>z</i> " <i>azure</i> or <i>s</i> in <i>Asia</i>
<i>ř</i>	"	"	"	rolled <i>r</i> plus <i>z</i> .

Vowels are pronounced as follows:

<i>a</i>	like short <i>a</i>	in	<i>fast</i> , or <i>hark</i> , or <i>wasp</i>
<i>e</i>	"	"	<i>e</i> " <i>pen</i>
<i>o</i>	"	"	<i>o</i> " <i>obey</i>
<i>u</i>	"	"	<i>oo</i> " <i>took</i>
<i>y</i>	"	"	<i>y</i> " <i>cyst</i>

a strike ' (accent) over the vowel indicates length:

<i>á</i>	is pronounced like	<i>a</i>	in	<i>palm</i> , <i>father</i>
<i>é</i>	"	"	"	<i>a</i> " <i>rare</i>
<i>í</i>	"	"	"	<i>ee</i> " <i>sheep</i>
<i>ý</i>	"	"	"	<i>i</i> " <i>machine</i>
<i>ů</i> or <i>ů̇</i>	"	"	"	<i>oo</i> " <i>doom</i> , <i>cool</i>

a hook over *e* (*ě*) softens it into *ye*; *ě* softens the preceding *d*, *t*, *n*, into *dy*, *ty*, *ny* (like *d* in *d'you* know, *t* in *not yet*, *ny* in *canyon* = Spanish *ñ*).



The primary accent (stress) in Czech words always falls on the first syllable. The suffix "-ová" (primarily equivalent to Saxon possessive 's) is added to masculine proper names to indicate female members of the family. Thus, Božena *Němcová* signified Božena of the family or house of Němec.

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## APPENDIX B.

### THE SLAVS.

(Adapted from Prof. ŠÁRKA HRBKOVÁ.)

So many people are under the impression that the Slavic tongues are wholly alien to the other languages of Europe that a brief statement of what groups constitute the Indo-European family of languages will not be amiss. This family includes eight main branches each of which has several sub-divisions. The first or Aryan includes the *Indian* and the *Iranian* and those in turn have sub-divisions which are represented by the Sanskrit, the Zend and the old and modern Persian. The second is the *Armenian* branch. The third is the *Hellenic*, which includes all the ancient Greek dialects as well as modern Greek. The fourth is the *Albanian* branch spoken in ancient Ilyria and in modern Albania. The fifth is the *Latin* branch represented by the Latin and other dead dialects and by the modern Romance languages, as French, Italian, Spanish and Portuguese. The sixth is the *Celtic* branch with sub-divisions of the Gallic, Brittanic and Gaelic and those in their turn represented by the Cornish, Irish, Scotch-Gaelic and Manx. The seventh branch of the Indo-European family is the *Teutonic* which embraces three main groups, the Gothic, now extinct; the Norse, including the Swedish, Danish, Norwegian and the Icelandic; the West Germanic, which is represented by the German, the Saxon, Flemish, Dutch, Low Franconian, Frisian and English. The eighth branch is the *Slavonic*, sometimes called Balto-Slavic. The languages developed around the Baltic sea were the old Prussian, the Lithuanian and the Lettic.

A rough division of the *Slavs* is territorial comprising (I.) *Eastern Slavs* or *Russians*, consisting of Great Russians, White Russians and Little Russians, the last named being variously called Ukrainians, Rusins, Ruthenians and Carpatho-Russians. (II.) The *Western Slavs*, embracing the *Czechs* (Čechs), *Slovaks*, *Poles*, *Lusatian Serbs*. (III.) The *Southern Slavs* or *Jugoslavs*, including the *Slovenes*, *Serbo-Croats* and *Bulgarians*.

The best authentic division of the Slavs today according to Dr. Lubor Niederle, professor of Archaeology and Ethnology at the Czech University of Prague, is as follows:

1. The *Russian* stem (Ukrainian, Ruthene), Great Russian, White Russian and Small Russian with its three branches as to whose classification as dialects of one tongue or three separate languages is a matter on which philologists still differ.

2. The *Polish* stem, — including the Poles and possibly the Kasubs, about whom it is yet uncertain whether they form a dialect of Polish or a remnant of the former Baltic Slavs.

3. The *Sorb* (Wend) stem (living in Saxony) — formed by the remnant of the Slavs of the Elbe.

4. The *Czechoslovak* (or Bohemian and Slovak) stem; for more about which see the following two appendixes (III. and IV.).

5. The *Slovene* stem, — very nearly akin to the Serbo-Croat.

6. The *Serbo-Croat* stem, — in which political and cultural, but especially religious, conditions have produced a separation into two branches, the Serbian and the Croatian, which, however, are ethnologically and philologically identical.

7. The *Bulgarian* stem, philologically very near to the Serbo-Croat; in Macedonia it is still a matter for dispute whether the indigenous Slavs are Bulgarians or Serbians or perhaps an independent branch.

The common origin of the Indo-European languages is determined mainly by two tests which the philologists apply. These proofs of kinship are a similar structure or inflectional system and a common root system.

Practically all the common words in use in any of the languages belonging to the Indo-European family are fair illustrations of the strong relationship existing among the eight branches, and are proofs of an original or parent tongue known to nearly all of the now widely dispersed nations of Europe. For instance, the word "*mother*" in the modern languages has these forms: In the French, it is "*mère*", abbreviated from the older Italic tongue, Latin, where it was "*mater*", in the Spanish "*madre*"; in the German it is "*Mutter*"; in the Scotch the word becomes "*mither*"; in the Bohemian or Czech it is "*mateř*" or "*matka*", and in the Russian it is "*mat'*" or "*mater*".

The English verb, "*to be*", (Czech "*býti*") conjugated in the present tense is, — in English, Latin and Czech:

I am	— sum	— jsem	we are	— sumus	— jsme
thou art	— es	— jsi	you are	— estes	— jste
he is	— est	— jest	they are	— sunt	— jsou

The German is: ich bin      du bist      er ist  
                         wir sind      ihr seid      sie sind

The natural similarity of words in the Slavic languages is obviously even greater and more pronounced than the resemblance of words in the various Indo-European tongues.

Thus, the word "mother" in the principal Slavic tongues has three forms: Russian, *mati*; Czech, *mati*, *matka* or *mateř*; Serbian, *mati*; Polish, *matka*; Bulgarian, *Majka* or *mama*. The word for "water" is "voda" in all of the above languages except in Polish where it is "woda". The verb "to sit" is, in Russian, *sidět*; in Czech, *seděti*; Serbian, *sediti*; Polish, *siedzieć*; Bulgarian, *sędja*. One could trace this similarity of roots and suffixes in all the words common in the experience of our ancestors. The examples given are but two of hundreds or even thousands, which conclusively show that the Slavic tongues are philologically related to the other Indo-European tongues.

The etymology of the word "Slav" was not clear for some time. Some philologists connected it with the word "*sláva*" which means "glory" or "the glorious race". Others, and the numbers of such linguistic students or scholars exceed the former school, have accepted the theory of Joseph Dobrovský, the Bohemian philologist, who asserted that the term comes from "slovo" which signifies "word" or "those who know words". The term in the original Slavic is "*Slovan*" which is more closely allied in appearance and sound to the word from which it is derived. Dobrovský claimed that the earliest ancestors of the present Slavs called themselves "*Slované*" or "men who knew words or languages" in contradistinction to the Germans who did not know their words or language and hence were called "*Němci*" from "*němj*" meaning "dumb". The Slavic name for Germans, oddly enough, has remained "*Němci*" or "the dumb ones" to this day. This dubbing of a neighbour nation which is dissimilar in language and customs recalls the practice of the ancient Greeks who named all other nations who were not Greeks "barbarians".

The name "*Czech*" or "*Čech*" as it is correctly written is a word supposed originally to have designated the leader of the small band of Slavs who, in early times, emigrating from Western Russia, settled in the valley of the Vltava (Moldau) in the heart of Europe and there have remained as the sturdy vanguard of the Slav people. From the word "*Čech*" is derived the poetic name "*Čechia*" for Bohemia.

The names "*Bohemia*" and "*Bohemians*" as applied to the country and to this group of Slavs respectively, are derived from the word "*Boji*", or "*Boii*", a Celtic tribe, occupying the basin of the Vltava and the Elbe before the permanent settlement there of the Czechs. Julius Caesar in his "Commentaries on the Gallic Wars" speaks frequently of the "*Boji*" and "*Marcomanni*". The word "*Boii*" was in the Latinised form, "*Bojohemum*", applied to the country of those early Celts who had occupied the country and eventually the name "*Bojohemum*" was changed to "*Bohemia*". In later days, the Slav inhabitants became known as "*Bohemians*" to the outside races unfamiliar with the correct term "*Čech*" which to facilitate pronunciation by non-Slavs is written "*Czech*".

## APPENDIX C.

### CZECH AND SLOVAK.

By Dr. J. BAUDIŠ, Professor at the University of Prague.\*)

Owing to some misapprehensions about the Slovak dialect, it would be well to bear in mind that the Slovak dialect used as a literary language is of recent date (nineteenth century), and that before this date the Slovaks used the Czech literary language as their literary language as well. This is enough to prove that the Slovak cannot be a different Slavonic language, but seeing that this doctrine is still believed in quarters which should be better informed, and suggested by people whose interest it is to misinform the public, I shall summarise the facts, quoting authorities who are not likely to take the Czech point of view.

The late Carl Brugmann, Professor of Comparative Philology in the University of Leipzig, speaks only of the Czech language which comprises "Czech in the stricter sense, Moravian and Slovakian" (see *Elements of the Comparative Grammar of the Indogermanic Languages*, English translation by J. Wright, London, 1888, vol. i., p. 12). J. J. Mikkola, Professor of Slavonic Philology in the University of Helsingfors and author of *Protoslavonic Grammar (Urslavische Grammatik)*, Heidelberg, 1913, speaks of Czechoslovak as *one* language (p. 3). Czambel's attempt to prove that Slovak is related to the Southern Slavonic group he simply answered by referring to Professor Pastrnek's review in the *Archiv für slavische Philologie*, vol. xxvi. This review refutes all Czambel's contentions; but as Professor Pastrnek, though a Moravian Slovak himself, happens to be Professor in the Prague University, I leave his authority aside.

The late Professor Leskien, the greatest German authority on the subject of Comparative Slavonic Grammar and Professor of Slavonic Languages in the University of Leipzig, says that the Slovaks are "to be regarded as belonging to the Czech in the wider sense of the word" (see *Grammatik der altbulgarischen Sprache*, Heidelberg, 2nd ed., 1919, p. xv.). The theory that old *Moravia* — *i. e.*, the territory between the Rivers Morava (March) and Hron (Gran), *i. e.*, the eastern part of modern Moravia and Slovakia — was at an historical period (ninth century A. D.)

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\*) By kind permission of the Editor of the Eastern Europe.



Kutná Hora.

inhabited by any other Slavs than Czechoslovaks he simply dismisses by saying (*ib.*, pp. xv.-xvi.): "It cannot be proved, either by any historical fact or by any combination of tradition, that Moravia was inhabited by any other Slavonic stem in the ninth century, and not the ancestors of those who are living there to-day. Therefore one must infer that the Moravians of that period spoke a Czechoslovak dialect."

It is clear, then, that there can be no serious philological doubts about that question, and I think that Professor Vondrák (late of the Vienna University, now of the Brno University) was fully justified in saying (*Vergleichende slavische Grammatik*, vol. i.): "Slovak represents an older stage of development, and it reminds one, in many respects, of Old Czech . . . Though many would-be philologists (*Auch-Philologen*) endeavour to represent it as an independent language, they have gained this philological conviction rather in the political arena than from grammar."

In order to demonstrate the relation between Czech and Slovak, I will give examples of Slovak texts, with Czech translations, and leave the reader to draw his own conclusions. As the first example I shall quote a few lines from the book *Slováci a ich reč* (p. 207), by Czambel, the author who maintains that Slovak is a different language:

Slov. *Vo svojej maďarskej brošúrke prizvukoval som v*  
Czech. *Ve své maďarské brožurce přizvukoval jsem v*

*podstatě to isté, co v tomto obširnom spise*  
*podstatě to jisté, co v tomto obširném spise*

*Potrebu preskúmania ľudovej reči slovenskej a*  
*Potřebu přezkoumání lidové řeči slovenské a*

*zreformovanie spisovnej reči na základoch reči*  
*zreformování spisovné řeči na základech řeči*

*ľudovej. A usiloval som sa nakloniť hornouhorských*  
*lidové. A usiloval jsem si nakloniti hornouherských*

*luteránov, aby do Slovenských cirkví namiesto*  
*luteránů, aby do Slovenských cirkví na místo*

*češtiny uviedli takto zreformovanú slovenskú reč*  
*češtiny uvedli takto zreformovanou slovenskou řeč.*

*Hurban Vajanský:*

Slov. *V lesíku (Sobrané Diela, Sväzok III. 33).*  
Czech. *V lesíku (Sebraná Díla, Svazek III. 33).*

*Keď zaveje vetrik tichý,*  
 (když) zavěje větrík tichý,  
*rozševeli listov roj,*  
 rozševeli listů roj,  
*vtedy žiaľné moje vzdychy*  
 (tehdy) žalné moje vzdychy  
*prostá moja pieseň koj.*  
 prostá moje píseň koj.  
*Bo keď lesa šum zakypí*  
 (Ne)bo(ť) (když) lesa šum zakypí  
*dušou mojou truchlivou,*  
 duši mojí truchlivou,  
*čujem v ňom i šumy lípy*  
 (slyším) v něm i šumy lípy  
*tam nad Tvojou mohylou.*  
 tam nad Tvojí mohylou.

From Rimavský's *Folk-tales*:

Slov. *Boli raz dvaja bratia, jedného otca, jednej matere deti.*  
 Czech. Byli (jednou) dva bratří, jednoho otce, jedné matere děti.

*Ale trebars boli svoja krv, vyzeralo u nich jako*  
 Ale třeba byli svá krev, (vypadalo) (to) u nich jako  
*medzi najcudzejšími, a to všetko pre staršieho brata,*  
 mezi nejčizějšími, a to všecko pro staršího bratra,  
*lebo to bol človek lakomý a skúpý.*  
 nebo to byl člověk lakomý a skoupý.

The differences are partly due to the fact that the Slovak dialects have preserved an older stage of development.

(1) *E. g.,*

*preskúmania* = Gen. sing. Old Czech. *znameňá.*  
*miesto* = O. Cz. *miesto*; *staršieho* = O. Cz. *staršieho*, etc.  
*slovenskú reč* would correspond to an Old Czech *Slovenskú reč.*  
*listov* = O. Cz. *listov*; *medzi*;

Some later changes which affected the Czech dialect did not affect the Slovak to such an extent:

*cudzi*, old *czyuzi*, *i. e.*, *ciuzi* for older *c'udzi.*  
 (*otca*, O. Cz. *otcě.*)



Slov. *ľud*, O. Cz. *ľyud*, *ľud*, etc. The Slovak does not possess any *ř*, which is a later development of the Czech language (thirteenth century).

(2) In some cases the Slovak development has been different from the Czech:

*potřeba* derived from O. Cz. *potrieba*.

*veje* derived from O. Cz. *věje*, etc.

(3) Some differences are due to analogical influences:

*ľudovej*, cp. O. Cz. *dobrej*, which is an analogous form from the dat. *nom*, analog. from *tom* = Cz. *tom*.

We see that in any case the Slovak dialect has preserved some ancient phonetic features, though the Czech literary language is again more archaic in its accident. The whole question has been very properly characterised by Vatroslav von Jagić (*Kultur der Gegenwart, Die Osteuropäischen Literaturen: Die Slavischen Sprachen*, p. 30), who states that the Slovak dialects, though they are a dialectic motley ("geht es . . . dialektisch recht bunt zu"), are connected through the medium of the Moravian dialect with the language of Bohemia, and *form with it a great linguistic unit, which in normal conditions — as exist in the case of some other peoples and countries (Germany, France, Italy) — could have been quite reasonably satisfied with one literary language.*

From the historical point of view the Slovaks have been a part of ancient Moravia (the Great Moravian State), whose allies, or rather vassals, the Bohemian Princes were. When the great Moravian Empire was destroyed by the Magyar invasion, the ascendancy of Bohemia grew naturally, because Bohemia became the centre of Czechoslovak culture. The Czech Prince Boleslav probably rescued Moravia from the domination of the Magyars (985), though his success did not last very long. Boleslav's grandson had to send his son Břetislav into Moravia, which at that time was claimed by the Hungarian King Stephen, and the war was ended in 1031 by a treaty which divided the original Moravian territory. The country now known as Moravia was returned to Bohemia; but the other former Moravian lands, now Slovakia, fell to the Hungarian King. It is clear, then, that the Moravians are historically identical with the Slovaks; and as the Moravians were always regarded as Czechs, there is no reason why the Slovaks should be regarded as a different people.

## APPENDIX D.

### CZECHOSLOVAK AND CZECHOSLOVAKIA.

#### A historical comment on these terms.

By Dr. ALBERT PRAŽÁK, Professor at the University of Bratislava.\*)

In the foreign press, and even in our own, I have frequently met with the view that the terms Czechoslovak and Czechoslovakia only came into existence during the war, and are closely connected with the foundation of the Czechoslovak Republik. This view is erroneous, as the terms in question have a long and honourable history. Significantly enough, it was the Slovaks with whom they originated.

From the earliest times the historical sources connect the Bohemians and the Slovaks in Hungary as a native and interdependent unit. The "Anonymi Belae regis notarius" refers to the "Habitatores Slavos et Boemos" in Nitra (XXXV, XXXVI), Verboczy, in his "Tripartitum" (1608, 1609) speaks of the indigenous Hungarian rights possessed by the "Slavi seu Bohemi, natio Slavica seu bohémica" (article XLIII, XLIV), while at Krupina the Magyars and Bohemians or the Slovaks lodged a complaint with Count Thurzo against the Germans in 1610 and 1614 (cf. Sborník N. Sl. Sp. II 2, 153). The Slovak preacher Paul Doležal referred to the inhabitants of Upper Hungary, as "Bohemo-Slavi" (Orthographia bohemoslavica 1742, 12), or as "Slavi Bohemi" (Grammatica slavica-Bohemica, 1746). Mathias Bel compiled statistics about the Hungarian population, and in defining the nationality of Upper Hungary he spoke of the "Slavi Bohoemi" (Compendium Hungariae Geographicum, Posonii, 1753). The same appellation of "Bohoemi Slavi" was used in reference to the inhabitants of Upper Hungary also by the historian Jan Tomka Szaeszky (Conspectus introductionis in notitiam regni Hungariae, Posonii, 1709).

The founder of the Pressburg learned society (societas erudita) and the editor of the Pressburg weekly paper for the propagation of science and art (1771—1773) and of the imperial royal privileged bulletin, later of the Hungarian magazine (1781—1787), Karl Theofil Windisch, studied Hungary according to the nations living there, and wrote a detailed geography of the Kingdom of Hungary (Pressburg, Lowe, 1780). Windisch

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\*) By kind permission of the Editor of the Prager Presse.

recognises the following nations in Hungary: Hungarians, Germans, Croats, Wends, Russians and "*Bohemian Slavs*". According to Windisch Upper Hungary is entirely in possession of the Bohemian Slavs. "Pressburg, Tyrnau, Trenchin, Neutra, Arva, Lipto, Zolyom, Turocz, Bors, Komarom, Nagy and Kiss Hont, Nograd, Saros, Abauj, Gemer, Torna" he says, are all centres of the Bohemian Slavs. Windisch even discovered the Bohemian Slavs at Pesth, Kecskemet and Esztergom, and in his statistical data he also quotes the number of these Bohemian-Slav inhabitants. Windisch also speaks of the history of the towns and the churches, he knows, for example, that the nunnery at Kaschau was founded in 1217, and that sermons were preached there in Hungarian, Bohemian and German. The only appellation used by Windisch in reference to the present-day Slovaks is that of "Bohemian Slavs", and this tallies with the older appellation of "Bohemi-Slavi", "Bohemo-slavi". Johann Samuel Klein spoke of the Bohemian and Slavonic congregations, of the Bohemian and Slavonic preachers in Hungary ("Information concerning the condition and writings of Evangelical preachers in all communities of the Kingdom of Hungary", Leipzig, 1789). Šafařík and Benedicti referred to the inhabitants of Bohemia, Moravia, Silesia and Upper Hungary as "the Czechoslavs" ("Počátky", 1818), Kollár called them "The Slaveczechs" ("Cestopis", 1841), and the Catholic Slovak Sasínek knew them as "the Czechs or the Slovaks" ("Slovensky Letopis" I 78, 1876).

Czechoslovak is therefore no new invention, but a name created by the Slovaks themselves, and employed for centuries in various combinations of the words Bohemians and Slovaks.

The same process can be found in the case of the adjective Czechoslovak. In 1715 the Jesuit Konstantij wrote a grammatical work in which he used the appellation of "*Lingua boemica seu boemo-slavica*". In 1742 Paul Doležal wrote his "*Orthographia bohemo-slavica*" and discussed the "*Lingua bohemico-slavica*" (1746). In 1829 Paul Schramko read a paper to the Kleinhont learned society at Skalnik on the oldest "Bohemian-Slavonic" Bibles, and he also issued a "*Československa Gramatyka*" at Pressburg in 1805. J. Palkovič refers only to the Bohemian-Slav language as having been spoken in Upper Hungary, and M. M. Hodža, the collaborator of Štúr, praised the Bohemian-Slovak language in Pressburg (1833), and composed a poem on it ("Plody", Pressburg 1836, "*Československá řeč*"), in which he located its original centre in the Tatra Mountains. Among the Slovak folk songs, Kollár discovered one of the Czechoslovak language ("*Zpiewanky, Reč československá*", II, 142, 1835). The Slovak poet Tablie translated English poems into "Czechoslovak" (1831). B. P. Červenák, the friend and deputy of Štúr, referred to the language of the Slovaks as the Czechoslovak language ("*Zrcadlo Slovenska*", 1844, "*českoslovenčina*"). Besides the adjective "Czechoslovak", the expression "Slo-

vako(Slavo)-Czech" was also in use. At Wittenberg there is a Hungarian library containing a manuscript of the beginning of the 18th century, entitled "Rudimenta Grammaticae Slowaciorum lingua slavo-bohemica utentium". In 1741 and 1752 Doležal spoke of the "lingua slavo-bohemica", and in 1793 Ribay mentioned the "Societas slavo-bohemica inter Slavos in Hungaria" and the "lingua Slavo-bohemica".

Such and many other instances dating from periods in which the Czechs were politically disinterested as far as the Slovaks were concerned, are eloquent proofs of the linguistic unity between Czechs and Slovaks, and demonstrate beyond a doubt that the Czechoslovak language was and is an actual fact.

Nor is Czechoslovakia an invention dating only from the autumn of 1918. The Bohemians, Moravians, Silesians and Slovaks were first of all united as an ethnic entity, not only by language, but also by the same Church. To begin with, it was the idea of a Greater Moravia derived from Cyril and Methodius. The 1,000th anniversary of these two Saints was a uniform celebration both for Moravians and Slovaks. The Catholic Bohemian patron Saints Václav, Prokop and Ludmila were equally venerated in the 15th century in the neighbourhood of Kremnice as they were in Pressburg among the youthful generation which was led by Chalúpka, Hodža and Štúr. It was in Hungary that the first Hussites made their appearance immediately after the death of Hus, and as early as 1436 the Pope sent preachers to them. At Šáriš the clergy baptised children with the name of Master Joannes Hus. Komenský blessed the brethren who were still at home "i. e. in Bohemia, Silesia, Slovakia (Slovakia)". (S. Kancional, Amsterdam 1659.) In this way the conception of the unity of the Czechoslovak territories in a religious sense throve upon the ecclesiastical area.

This conception then developed slowly in the domain of language and literature. D. S. Hořčíčka celebrated the native writers Cyril, Methodius, Hieronymus, Hus, Lupáč, Jeszenius, Nudozerinus, Jiří Turzo, Czechs and Slovaks, — as forming a uniform group (Necforum, 1678). From 1715 onwards the printing press of Johann Neubart issued a calendar for the whole area of Upper Hungary, Silesia, Moravia and Bohemia. M. Bel, the Hungarian academician and historian, was convinced that the Slovaks, Moravians and Bohemians were homogeneous in character. J. Palkovič described Hungary in the account of his native country, but at the same time he makes a deliberate reference to the towns of Prague, Brunn and Olmutz (1804). Benedikti of Kesmark acknowledged Žižka and Hus as his ancestors, and expressed the desire that the Czechs, Moravians and Slovaks might become a unity (1817). Palacký and Šafařík sent their book "Počátkové českého básnictví" to the poets of Bohemia, Moravia and Upper Hungary, to the "Czechoslavs in the

Tatra and in the Giant Mountains and those by the Vltava, the Váh, the Morava and the Hron" (1818). L. Štúr assured Dr. Svoboda on his departure from Slovakia for Moravia, that Moravia also contained Slovak land and Slovak people (1837). The students of Pressburg spoke with enthusiasm about Čechosláva (1839), and in the same year J. M. Hurban visited Bohemia, and extolled the countries containing 10 million Czechs, Moravians and Slovaks, who were homogeneous and united by nature and language. Hurban wrote to the Czechs telling them that in their writings they should bear in mind all their territories comprising the whole nation of the Czechs, Moravians, Silesians and Slovaks, that in a word, they should be "the guardian spirits of Československo" (Czechoslovakia) ("Květy" 8.-10. 1839). Hurban, that great friend and collaborator of L. Štúr, who was the founder of the Slovak literary language, thus used the expression "Czechoslovakia" for the first time in 1839, and on that occasion it was no longer a concept of linguistic, literary and historical racial unity, but it signified the idea of political unity which one day was to be achieved. This was realised by Count Zay, the diocesan inspector, and he reported to the ecclesiastical authorities at Kesmark that the Czechs and Slovaks were intending to found a Czechoslovak State (1841). It was realised also by Baron Pulszky, the persecutor of Štúr's organisation, who explained to Count Leo Thun why the Magyars were obliged to prevent the union of the racially conscious Czechs and Slovaks, and destroy their homogeneous character (Thun, "On the position of the Slovaks in Hungary" 1842). For that reason it was an act of "treachery" against Hungary, when the Slovaks wrote and read Czech, for that reason Czech books and the Czech language had to be placed under a ban in Hungary, as we discover from the memoirs of Fejerpataky, the Slovak publisher and author.

Czechoslovakia is therefore no new thing, the Slovak J. M. Hurban having coined the word, and also advocated and furthered the idea. When in 1875 the Magyars closed the "Slovenská Matica" and the three Slovak classical high schools, when the "Morgenpost" warned them against the Czechs, by indicating that the Slovaks would now not let themselves be prevented from returning to the Czechs, J. M. Hurban was the first who referred to the Czechs, Moravians, Silesians and Slovaks as a racial and linguistic unity and began to abandon the Slovak written language on behalf of the Hungarian Slovaks.

But this is another matter. At the risk of wearying the reader by an abundance of references, I merely wished to show that the expression in question developed quite organically, and that they demonstrate the Czechoslovak unity extending over long decades, and even several centuries.

APPENDIX E.  
ECONOMIC ADDENDA.

1. AGRICULTURE.

(To supplement chapter III. of the Economic Survey.)

The following preliminary figures, relating to the *harvest for 1921*, have been published by the Statistical Office:

	1921	1920	1921	1920	1921	1920
	Area under cultivation in thousands of hectares		Yield per hectare in quintals		Crops in thousands of quintals	
Wheat . . . . .	622	636	17·9	11·3	11,069	7,174
Rye . . . . .	883	904	15·8	9·4	13,813	8,367
Barley . . . . .	640	694	13·3	11·6	10,312	8,107
Oats . . . . .	810	801	13·0	10·8	10,501	8,658
Maize . . . . .	146	152	18·1	16·4	2,667	2,450

The general improvement is clearly indicated by the figures relating to yield per hectare.

2. CZECHOSLOVAK BUDGETS 1919—1922.

Analytical table.

Revenue:	1919	1920	1921	1922
	Completed budgets			Estimate
	(In millions of Czechoslovak crowns)			
Total revenue . . . . .	3,709	10,426	17,298	18,884
Extraordinary revenue . . . . .	1,096	2,476	1,375	1,593
Tax revenue . . . . .	1,813	4,470	9,922	10,511
Railways . . . . .	970	2,738	4,642	4,945
Posts, Telegraphs . . . . .	177·8	429	770	962
States lands, forests etc. . . . .	19·8	81	210	526
State mines etc. . . . .	89·9	318	817	804
Deficit . . . . .	4,906	4,851	727	928

**Expenditure:**

Total expenditure . . . . .	8,615	15,278	18,026	19,872
Extraordinary expenditure	6,005	8,103	7,354	6,524
State debts . . . . .	411	280	894	2,079
National Defence . . . . .	1,740	2,242	2,478	3,108
Railways . . . . .	1,218	3,452	5,197	4,660
Postal services . . . . .	160	420	1,029	871
Public works . . . . .	297	691	1,135	1,028

The following table shows the amount of revenue derived from taxation:

	In million crowns.			
	1919	1920	1921	1922
Real estate taxes . . . . .	105·9	178·1	193·7	213·8
Personal taxes . . . . .	263·0	404·4	554·0	1,037·8
Excise duties . . . . .	361·3	663·9	2,079·6	2,517·9
Transport taxes . . . . .	36·9	88·6	199·1	365·0
Stamp duties . . . . .	126·4	127·8	211·2	380·6
Miscellaneous taxes . . . . .	217·5	1,037·3	1,380·8	2,513·7
Total . . . . .	1,111·0	2,500·1	4,618·4	7,028·8

The most important taxes are the following:

Land tax . . . . .	61·3	130·5	138·6	151·6
House tax . . . . .	3·9	6·3	6·9	11·2
„ rent tax . . . . .	38·7	39·2	46·1	49·4
General profit tax . . . . .	48·5	87·0	125·2	190·0
Corporation profit tax . . . . .	47·9	85·3	96·4	175·9
Tax on unearned income . . . . .	24·0	27·0	24·4	29·7

	In million crowns			
	1919	1920	1921	1922
Tax on brandy . . . . .	33·5	150·0	255·0	490·6
„ „ beer . . . . .	19·5	83·3	99·3	—
„ „ sugar . . . . .	259·0	340·0	329·5	159·0
„ „ mineral oils . . . . .	5·0	5·9	6·6	10·1
„ „ combustibles . . . . .	10·0	32·0	54·0	17·0
„ „ wine . . . . .	—	8·0	29·5	24·0
General tax on beverages . . . . .	—	34·0	32·0	240·0
Meat tax . . . . .	5·8	3·4	39·8	76·0
Coal tax . . . . .	—	—	1,200·0	1,450·0
Water power tax . . . . .	—	—	—	30·0
Tax on railway tickets . . . . .	11·9	13·7	71·5	102·3
Tax on freightage . . . . .	19·8	56·0	124·0	258·4

	In million crowns			
	1919	1920	1921	1922
Stamp duties . . . . .	126·4	127·8	211·2	380·6
Tax on turnover . . . . .	—	800·0	1,050·0	2,200·0
War tax . . . . .	227·0	227·0	233·0	308·0
Monopolies . . . . .	510·4	850·1	2,050·8	1,844·6
Tonacco monopoly . . . . .	467·7	779·2	1,949·8	1,705·4
Customs duties . . . . .	53·6	171·2	756·2	534·1

### 3. CZECHOSLOVAK FOREIGN TRADE 1920—1921.

(Supplementing chapter VII.)

The definite figures relating to foreign trade for 1920 and 1921 are as follows (the values for 1921 are not yet known):

	1920		1921
	In million		In million
	Czech crowns	metric quintals	metric quintals
Total imports . . . . .	23,384	39·0	39·6
Total exports . . . . .	27,569	69·1	96·4
Favourable balance . . . . .	4,269	29·9	56·8

According to countries, the foreign trade was distributed as follows:

	1920				1921	
	Imports		Exports		Imports	Exports
	In million		In million		In million	
	metric quintals	Czech crowns	metric quintals	Czech crowns	metric quintals	
Germany . . . . .	20·7	5,601	30·8	3,330	18·8	35·9
Austria . . . . .	3·2	3,043	23·9	9,678	3·1	33·0
U. S. A. . . . .	2·0	4,110	0·2	544	3·7	0·2
Hungary . . . . .	0·8	655	3·2	2,512	2·4	13·2
France . . . . .	0·2	954	1·9	2,373	0·3	1·7
Poland . . . . .	1·0	399	1·7	1,425	1·4	3·5
Italy . . . . .	0·5	1,002	1·7	1,300	0·8	1·4
Holland . . . . .	0·6	1,316	0·6	557	0·8	0·7
Belgium . . . . .	0·8	1,036	0·08	134	0·3	0·2
Great Britain . . . . .	0·3	1,008	0·2	813	0·9	1·5
Rumania . . . . .	0·5	308	0·3	732	0·8	0·8
Jugoslavia . . . . .	0·1	340	0·6	1,081	0·6	1·3
Switzerland . . . . .	0·17	760	625	0·9	0·6	0·6

The largest items were the following:

Corn, flour etc. . . . .	2·46	2,300	0·86	731	7·82	0·35
Cotton, yarn etc. . . . .	0·69	5,029	0·10	2,525	0·94	0·32



	1920				1921	
	Imports		Exports		Imports	Exports
	In million		In million		In million	
	metric quintals	Czech crowns	metric quintals	Czech crowns	metric quintals	
Wool, yarn etc. . . . .	0·19	2,211	0·10	6,683	0·29	0·12
Sugar . . . . .	0·05	11	2·48	3,405	0·02	4·47
Iron, iron goods . . . . .	1·14	929	1·63	1,511	1·27	1·99
Fats . . . . .	0·46	1,080	0·04	110	0·43	0·08
Coal, timber . . . . .	13·19	520	51·84	1,740	11·33	76·32
Glass . . . . .	0·02	49	1·40	1,898	0·01	1·32
Fruits, vegetables . . . . .	1·29	681	0·89	909	1·05	0·69
Paper . . . . .	0·19	225	0·76	695	0·09	0·78
Leather and leat. goods	0·02	366	0·02	642	0·03	0·05

Although the figures relating to value for 1921 are not yet known, it is evident from the statistics based upon quantity that even if substantial allowance is made for the reduction in prices, the balance will, as in 1920, be a favorable one.

## APPENDIX F.

### THE CO-OPERATIVE MOVEMENT.

The co-operative movement in Czechoslovakia is divided into a number of categories such as credit societies, consumers' societies (food supplies, etc.), agricultural, industrial, building and housing, produce, land rental (tenants) and disabled soldiers' societies.

In consequence of the advanced political conditions in Czechoslovakia, the co-operative movement is not single in character, but is split up according to the individual political parties. The strongest co-operative movement is that of the Agrarian Party, whose "Centro-Co-operative" at Prague comprises by far the largest portion of the agricultural societies and saving-banks on the Raiffeisen system. This union serves at the same time as the central exchequer for the societies which it comprises. The second in point of strength and importance is the "Central Union of Czechoslovak-Co-operative Societies" at Prague, which includes the Labour Co-operative Societies to the number of 1,117. The membership of the associations represented in this union is recruited from the ranks of the workmen, officials and employees, the majority of whom are members of the Czechoslovak Social Democratic Party. Besides this union, there is the central headquarters of the Czechoslovak National Socialist co-operative organisations. Mention should also be made of the central co-operative headquarters of the People's (Clerical) Party, which consists mainly of agricultural and credit co-operative societies, and was founded by those who seceded from the co-operative societies of the Agrarian Party. Finally, there is a union of industrial societies together with the union of savings banks which are established on the Schulze-Delitsch system. The object of the Central Unions is to supply advice to those founding co-operative societies, to further the interests of the co-operative movement, to train members and staff, as well as to audit accounts. Every society is compelled by law to have its accounts audited at least once every two years. The Unions also issue model statutes, printed matter etc.

The membership and financial strength of the agricultural societies make them the chief feature of the Czechoslovak co-operative movement. They possess property to the value of 40,118,000 crowns, as compared with 19,920,000 crowns, owned by the trade societies, 11,849,000 crowns

by the consumers' societies and 3,092,000 crowns by the building societies. In former Austria, the Czech territories accounted for 44.4 per cent of the agricultural credit co-operative societies, and 36.1 per cent of other agricultural co-operative societies, although these territories contained only 25.2 per cent of the total agricultural population.

The agricultural co-operative societies in Czechoslovakia are making rapid progress. There are credit societies (Raiffeisen), dairies, distilleries, building and consumers' societies, selling and purchasing societies, all on a co-operative basis. According to official statistics for January 1<sup>st</sup> 1918, the agricultural co-operative societies in Bohemia, Moravia and Silesia accounted for 60 per cent of the total, their number being 4,876. Of these, 3,803 were credit societies, (Raiffeisen system), and 1,073 were agricultural societies. Of the 20 Co-operative Unions, 11 comprised the agricultural societies.

The consumers' co-operative societies were among the first societies in the country established on a co-operative basis. They have made enormous strides since 1890, and towards the end of 1918 there were 287 Czech consumers' societies with a membership of 127,408, their takings amounting to 73,873,000 crowns. In addition to 3,231,000 crowns of paid up capital, they had 2,544,000 crowns of reserve funds. The property managed by them was valued at 19,695,000 crowns. In 1916 there were also 290 German co-operative societies with a membership of 151,247, their takings amounting to 53,612,000 crowns. They had 3,174,000 crowns of capital, and 2,870,000 crowns of reserve funds. The value of property managed by them was 18,547,000 crowns. There are also 17 Polish co-operative societies with a membership of 6,514, their takings amounting to 3,530,000 crowns. In 1913 the association known as "Wholesale" supplied the co-operative societies with goods sold to a value of 37,200,000 crowns; the corresponding figures for 1919 were 294 million crowns, for 1920 875 millions. In Prague, Brno, Plzeň and Mor. Ostrava there are societies with 20,000—50,000 members, being thus among the biggest in Europe. The main Social Democratic Co-operative Organisation at Prague now embraces 1117 co-operative societies, 510 of which are concerned with the distribution of food-stuffs, 172 manufacturing societies, 180 building societies, the remainder being agricultural co-operative societies. Their membership in 1920 was 574,020, and the value of the goods sold to members was 984,570,005 crowns.

In the course of the year 1919 the Czechoslovak Socialist Party (National Socialists) founded about 250 co-operative societies, supplying food-stuffs to 200,000 persons, and 56 agricultural and building societies. Their central organisation is known as the Co-operative Union. These two unions, the Social Democratic and the National Socialist, have founded co-operative joint stock banks.

As regards the financial societies on the Schulze-Delitsch system, they are steadily developing, and form at present an important part of the country's financial system. In 1917 there were in Bohemia, Moravia and Silesia 902 such societies founded by Czechs, with 308,100 members and 30,244,000 crowns of paid up capital, 79,025,000 crowns of reserve funds and 1,201,010,000 crowns of deposits. The corresponding figures for the German societies were 429 in 1917, which in 1914 had 92,508 members, 2,311,800 crowns capital, 17,600,000 crowns of reserve funds and 297,377,000 crowns of deposits.

The small manufacturers' and traders' societies are of slighter importance. In 1910 there were 251 Czech societies with 22,311 members, 6,459,000 crowns of capital, 3,170,000 crowns of reserve funds, their takings being 31,485,000 crowns. In addition there were 164 German societies with a membership of 10,365, which sold goods to a value of 20,447,000 crowns, and had 10,291,000 crowns of capital, and 1,108,000 reserve funds. The commercial societies have established a special Union at Prague-Karlin.

The building societies made good progress before the war. In 1912 they were 393 in number, with a membership of 18,252, 2,742,000 crowns of paid up capital and 32,029,000 crowns of total assets.

The following figures illustrate the strength of the movement:

	Bohemia, Moravia and Silesia		Slovakia and Carp. Ruthenia	Total for Czechoslovakia
	Jan. 1 <sup>st</sup> 1918	July 1 <sup>st</sup> 1920	1920	1920
Total . . . . .	8,217	10,487	1,417	11,904
comprising:				
Credit Societies				
a) Raiffeisen system . . .	3,803	3,852	500	4,352
b) Schulze-Delitsch system	1,331	1,426	—	1,426
Agricultural Societies . . .	1,073	1,456	76	1,532
Traders' Societies . . . . .	699	1,315	13	1,328
Consumers' Societies . . . .	911	1,512	803	2,315
Building Societies . . . . .	354	865	—	865
Other societies . . . . .	21	34	23	57
Unions . . . . .	25	27	2	29

Towards the end of 1920 the Republic therefore contained 11,904 co-operative societies, of which number 6,600 were agricultural societies, forming thus 60 per cent of all societies. This is a good indication of the development of Czech agriculture. Compared with 1918 there is

an increase of 2,270 societies, or a whole quarter of the former number. As the network of the Raiffeisen credit societies was nearly complete, their growth is comparatively smaller. This applies also to the Schulze-Delitsch societies. On the other hand, there was a considerable increase in the agricultural, traders', consumers, and building societies.

According to statistics for 1918 the financial standing of the societies was as follows:

	Czech and Slovak	German
Number of societies . . . . .	6,673	2,385
Membership . . . . .	1,315,629	472,487
Paid up capital . . . . .	131,625,000	47,270,000
Reserve funds . . . . .	124,138,000	34,067,000
Deposits . . . . .	2,240,546,000	802,432,000
Assets . . . . .	3,357,000,000	1,221,608,000

It is certain that the Czechoslovak co-operative societies have at present over two million members and 5 milliards of assets.

The importance of the Czechoslovak co-operative movement is strikingly illustrated by a comparison with other countries. Czechoslovakia, with 14 million inhabitants, comprises over 10,000 co-operative undertakings with 2,000,000 members. If each member (head of a family) represents 4 persons, the movement embraces over 7 million people i. e. more than half of the population of the State. France for instance, with a population three times greater than Czechoslovakia, has only 3,150 credit societies with 142,000 members, Belgium 356, Holland 582.

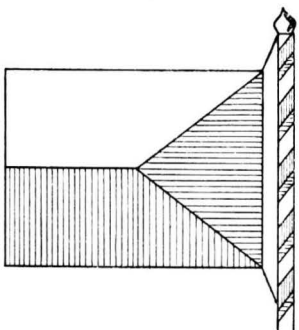
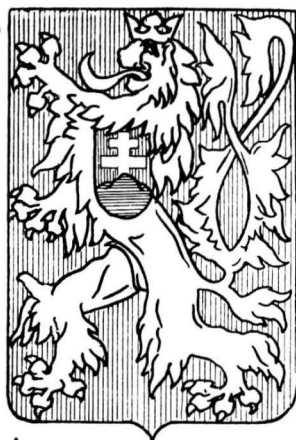
Great importance is attached to the Slavonic co-operative bank with a capital of 3 million crowns, which is in course of formation at Prague. This bank will organise a regular exchange of goods between Russia and Czechoslovakia, and will found an export department to deal with the exchange of Czech industrial products for Russian raw materials.

The statutes for the proposed Slavonic Co-operative Chamber of Commerce have already been adopted. A congress of Slavonic co-operatives will soon be organised at Prague. The chief question to be discussed will be that of the affiliation of the co-operatives of the Balkan Slavonic States with this Chamber of Commerce. The aims of the Slavonic Co-operative Chamber of Commerce will be both of an intellectual and economic character. Thus, it will bring together the co-operatives of the various Slavonic countries, distribute information on the public and

political life in these countries, and arrange for the common purchase of machinery, artificial manures, seeds etc. in the international market. Two Yugoslav co-operatives, as well as several Bulgarian, Ukrainian and Polish co-operatives have announced their intention of joining this Slavonic Chamber of Commerce.

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APPENDIX G.  
 FLAG, COATS OF ARMS AND SEAL.



Golden

Blue

Black

Red

Silver

The national flag is composed of three parts, an upper horizontal of white and a lower one of red, between which a blue wedge is inserted with its apex towards the centre.

The President's standard is white with a border of flaming tongues alternately red and blue. In the centre on the white ground the State coat of arms (great) are displayed.

The arms (small) of the Czechoslovak Republic are as follows: On a red escutcheon a silver lion: the lion bearing on its breast a small shield with the arms of Slovakia.

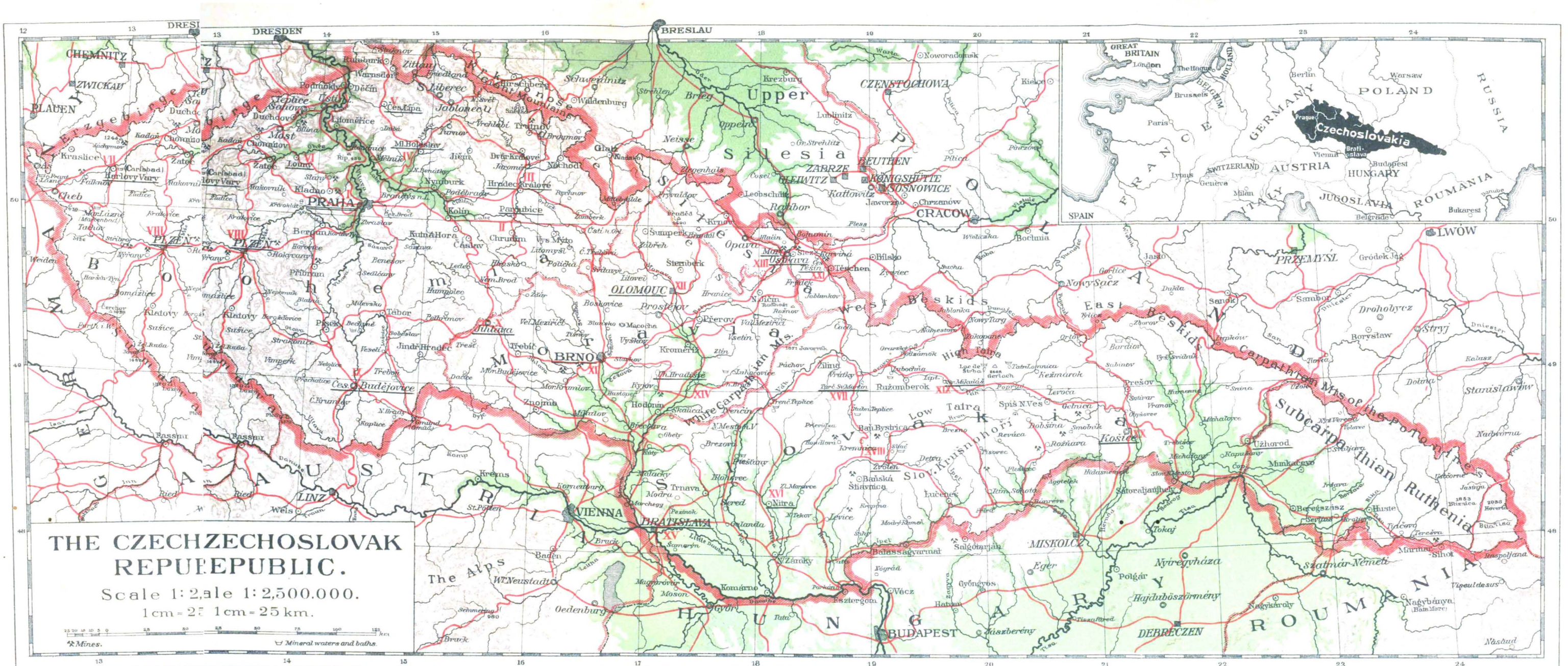
The arms (intermediate) of the Czechoslovak Republic are composed of two escutcheons, anterior and posterior. The anterior carries the arms of Bohemia: the posterior is divided into four quarters. On the chief dexter are the arms of Slovakia, on the chief sinister the arms of Carpathian Ruthenia: on the base dexter the arms of Moravia, on the base sinister those of Silesia.

The great Coat of Arms of the Czechoslovak Republic consists of two escutcheons, anterior and posterior. On the anterior are the arms of Bohemia. On the chief dexter quarter of the posterior escutcheon are the arms of Slovakia, of Carpathian Ruthenia, of Moravia and of Silesia. On the base dexter quarter the arms of the territories of Teschen, Opava and Ratibor. Right and left of the escutcheon stand two double-tailed lions each wearing a crown — the guardians of the escutcheon. Branches and leaves of the linden. Beneath the escutcheon a riband bearing the device: "Truth prevails."

The small seal bears the small arms: the great seal the great arms. Both carry as marginal inscription the words "The Czechoslovak Republic".

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**THE CZECHOSLOVAK REPUBLIC.**

Scale 1:2,500,000.  
1 cm = 25 km.



Drawn by František Machát.

VI: Number of the District (župa). — LOUNY: Chief town of the District.

Printed by V. Neubert, Prague, Srubcov.