

# Commercial Handbook

of the

Union

of

Soviet Socialist  
Republics

Published by the  
Russian Information Bureau  
Washington, D. C.  
1926

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## Commercial Handbook

of the  
Union of Soviet Socialist Republics  
for 1926

The Union of Soviet Socialist Republics occupies the largest territory of any country in the world, with the exception of the British Empire with all dependencies. The land area is 8,200,000 square miles. The land area of continental United States is less than 3,000,000 square miles.

The population of the U. S. S. R. as of January 1, 1925, was estimated at 138,781,150. Under the census of 1920 the population was 131,000,000.

The density of population of the U. S. S. R. is 16.4 persons per square mile.

Owing to transfers of heavily populated territories to Poland, Finland and the border States at the close of the war, the present territory of the Soviet Union is 93 per cent of that of the former Tsarist Empire; the population is 76 per cent of that of the former Empire.

The Union of Soviet Socialist Republics, as established by the Treaty of Union, July 6, 1923, was composed of four constituent republics:

1. The Russian Socialist Federal Soviet Republic (R. S. F. S. R.).
2. The Ukrainian Soviet Socialist Republic.
3. The Transcaucasian Socialist Federal Soviet Republic.
4. The White Russian Soviet Socialist Republic.

To these the following were added during 1925:

1. The Turkoman Soviet Socialist Republic.
2. The Uzbek Soviet Socialist Republic.

These two republics, in Central Asia, were formerly in the territory of the R. S. F. S. R.

(A table of the six Constituent Republics, with their administrative subdivisions, areas, populations and capitals, will be found on page 6.)

The ten Autonomous Soviet Socialist Republics in the R. S. F. S. R. (mentioned in the table on page 6), with their capitals and total populations, are as follows:

Republic	Population	Capital City
Bashkir .....	2,440,299	Ufa
Buryat-Mongol .....	454,797	Verkhneudinsk
Chuvash .....	896,926	Cheboksary
Crimean .....	592,926	Simferopol
Daghestan .....	824,212	Makhach-Kala
German-Volga .....	527,042	Pokrovsk
Karelian .....	245,683	Petrozavodsk
Kazak .....	5,382,000	Kzyl-Orda
Tatar .....	2,818,039	Kazan
Yakut .....	286,097	Yakutsk



Administrative Units, Area and Population of Constituent Republics

Constituent Republics	Administrative Subdivisions			Area in Square Kilometers	Number of Inhabitants Total	Number of Inhabitants		Capital
	Autonomous Republics	Autonomous Areas	Regions			Provinces	Urban	
Russian Socialist Federated Soviet Republic.....	10	13	3	19,688,000	95,787,942	15,237,900	80,550,042	Moscow
White Russian Soviet Socialist Republic.....	.....	.....	.....	109,800	4,454,673	679,000	3,775,673	Minsk
Ukrainian Soviet Socialist Republic.....	1	.....	.....	429,700	27,243,222	5,062,000	22,181,222	Kharkov
Transcaucasian Federation of Soviet Socialist Republics*	3	2	.....	193,000	5,577,155	1,150,900	4,426,255	Tiflis
Turkoman Soviet Socialist Republic.....	.....	.....	.....	473,000	914,558	109,000	805,558	Poltoratsk
Uzbek Soviet Socialist Republic.....	1	.....	7	322,000	4,803,600	741,000	4,062,600	Samarkand
Union of Soviet Socialist Republics.....	15	15	3	21,210,500	138,781,150	22,979,800	115,801,350	Moscow

\*The Transcaucasian Federation of Soviet Socialist Republics, as a Constituent Republic, represents a union of three Soviet Socialist Republics—Armenia, Azerbaijan and Georgia—Azerbaijan having, in its turn as a subdivision, one, and Georgia two autonomous republics. Armenia, Azerbaijan and Georgia are not separately counted in the above figures.

The thirteen Autonomous Areas in the R. S. F. S. R., with the principal city and total population of each, follow:

Adigheh-Circassian .....	111,701	Krasnodar
Votyak .....	695,826	Izhevsk
Chechen .....	361,792	Grozny
Ingush .....	68,801	Vladikavkaz
Kabardian-Balkar .....	181,504	Nalchik
Kalmuck .....	127,019	Astrakhan
Karachai-Circassian .....	148,322	Batalpashinsk
Kara-Kalpak .....	170,200	Turtkul
Kirghiz .....	731,451	Pishpek
Komi .....	207,197	Ust-Sysolsk
Mari .....	466,913	Krasnokokshaisk
North-Ossetian .....	150,881	Vladikavkaz
Oirad .....	77,529	Ulala

The three Regions ("Oblast" or "Krai") included in the R. S. F. S. R., each with the principal city and total population, follow:

Ural .....	6,312,000	Sverdlovsk
North Caucasian .....	7,500,470	Rostov-on-Don
Siberian .....	6,868,055	Novo-Nikolayevsk

The North Caucasian Region includes six of the autonomous areas in the R. S. F. S. R. and the Siberian Region includes one autonomous area.

The Autonomous S. S. R., in the Ukrainian S. S. R. follows:

Moldavian .....	454,673	Balta
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The three Autonomous Republics in the Transcaucasian Federation follow:

Nakhichevan .....	78,950	Nakhichevan
Abkhasian .....	.....	Sukhum
Adjar .....	.....	Batum

The two Autonomous areas in the Transcaucasian Federation are:

Mountain Karabakh .....	157,807	Stepanakert
South Ossetian .....	.....	Tskhinvaly

The Autonomous Republic in the Uzbek S. S. R. follows:

Tadjik .....	745,200	Dushambe
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The divisions and subdivisions among the Constituent Republics of the U. S. S. R. correspond to racial or geographical demarkations. The autonomous republics and areas enjoy the greatest degree of self-government within their domestic spheres. Each has control over its own school system. Each of the more than thirty nationalities within the Soviet Union has complete freedom to use its own language in written or spoken form, including its use in the courts and schools, and to develop its own peculiar social usages. Compulsory Russification ended with the formation of the Soviet State.

Each constituent republic retains the right of free withdrawal from the Union.

Every citizen of the U. S. S. R. is completely free to conform to any religion or sect, or to none.

Ownership of all land and natural resources rests with the State in trust for all the people. Otherwise private property is recognized in the Civil Code.

The population of Moscow, the capital of the U. S. S. R. on January 1, 1926, was 1,900,000 as compared with 1,617,700 in 1912. On the same date the population of Lenin-



grad was 1,420,000 as compared with 2,000,000 in 1912. Other cities with populations of over 200,000 by the urban census of 1923 were: Kiev, 432,734; Odessa, 316,762; Kharkov, 310,264; Tashkent, 263,871; Baku, 244,852; Rostov, 236,421; Tiflis, 233,958.

### GOVERNMENT

The basis of representation in the Soviet Union is occupational rather than geographical. The Soviets, which are councils of delegates of hand-workers and brain-workers, are designed to represent directly the productive life of the country.

Each village elects its local Soviet, which selects an executive committee that exercises administrative powers. Delegates from the various village Soviets in a township (Volost) assemble in a township Soviet and the various township Soviets in a province (Gubernia) send delegates to a provincial Soviet.

In the towns or cities delegates from the various productive groups of the community assemble in the town or city Soviet.

In this fashion, from the original local or occupational unit, the Soviets pyramid up to the Congresses of Soviets representing the larger administrative divisions, the autonomous republics and areas, the constituent republics, and the entire Soviet Union.

The supreme organ of authority is the All-Union Congress of Soviets. This is composed of representatives of town and township Soviets, and of provincial Congresses of Soviets.

During the interval between the All-Union Congresses of Soviets, the supreme authority devolves upon the Central Executive Committee, consisting of the Council of the Union and the Council of Nationalities.

The Council of the Union is elected by the Congress from representatives of the six constituent republics, in proportion to their population, in all to a total of 450 members.

The Council of Nationalities is formed of representatives of the Constituent and Autonomous Republics, five delegates from each, and of representatives of autonomous areas, one delegate from each, in all 131 members.

The Central Executive Committee meets four times a year, the Congress of Soviets once a year, if no extraordinary session is called.

During the interval between sessions of the Central Executive Committee, the Presidium of the Committee is the supreme legislative, executive, and administrative organ of authority.

The Council of People's Commissars is the executive and directive organ of the Central Executive Committee. Members of the Council are elected for one year. The following members of this executive cabinet were serving January 31, 1926:

Chairman: A. I. Rykov.

Vice-Chairmen: A. D. Tsiurupa, J. E. Rudzutak and V. V. Kuybyshev.

People's Commissar for Foreign Affairs: G. V. Tchitcherin.

People's Commissar for Army and Navy: K. E. Voroshilov.

People's Commissar for Transport: J. E. Rudzutak.

People's Commissar for Posts and Telegraphs: I. N. Smirnov.

People's Commissar for Workers' and Peasants' Inspection: V. V. Kuybyshev.

Chairman Supreme Economic Council: F. M. Djerzhinsky.

People's Commissar for Labor: V. V. Schmidt.

People's Commissar for Trade and Commerce: L. B. Kamenev.

People's Commissar for Finances: N. P. Briukhanov.

On the same date the Presidium of the Central Executive Committee had the following six Chairmen: M. I. Kalinin, G. I. Petrovsky, A. G. Cherviakov, Gazanfar Mussabekov, Netyrbay Aitakov, and Faizulla Khodzhayev. A. S. Enukidze was Secretary of the Central Executive Committee.

In the Soviet administrative scheme, the People's Commissariats are divided into three categories: Commissariats of the whole Union alone; Commissariats which form part of the administrative scheme of the Constituent Republics, as well as of the Federal Government; Commissariats which appear in the Constituent Republics alone.

Commissariats of the whole Union alone are: Foreign Affairs, Army and Navy, Transport, Posts and Telegraphs, Trade and Commerce. The divisions of Trade and Commerce dealing with internal trade are also in the Constituent Republics.

Commissariats in both the Federal Government and the Governments of the Constituent Republics are:

Supreme Economic Council, Labor, Finance, Workers' and Peasants' Inspection.

Commissariats of the Constituent Republics only: Agriculture, Internal Affairs, Justice, Education, Health, Social Welfare.

The Supreme Court of the Union, attached to the Central Executive Committee, includes in its functions the following:

To give the Supreme Courts in the Constituent Republics guiding interpretations on federal legislation.

To render to the Central Executive Committee opinions on decisions of the Supreme Courts of the Constituent Republics which may seem in contradiction to the general legislation of the Union, or to affect the interests of the other republics.

To give opinions, on demand of the Central Executive Committee, on the constitutionality of legislation of the Constituent Republics.

To decide legal conflicts between the Constituent Republics.

To examine cases of accusation against high officials of the Union.

A pyramidal representative form, similar to that adopted for the entire Union, with local and town Soviets as the base, obtains in each of the six Constituent Republics and in the autonomous republics and areas.

During the period of civil war and foreign intervention the local administration of justice was largely in the hands of Revolutionary Tribunals and Special Tribunals. The Extraordinary Commission for Combatting Counter-Revolution (Cheka), which was abolished at the close of 1922, had extraordinary jurisdiction in important offenses against public order.

The permanent judicial system was established January 1, 1923. It includes People's (District) Courts of both civil and criminal jurisdiction, Provincial Courts of Second Instance, Supreme Courts of the Constituent Republics, and the Supreme Court of the Union, sub-divided into various courts of special jurisdiction. There are also special Labor Courts, which may be the local People's



Court sitting in special session for labor cases. A Civil Code, a Criminal Code, a Land Code and a Labor Code, and Codes of Civil and Criminal Procedure, were adopted in November, 1922. The Code of Civil Status, defining marriage, family and guardianship rights, comes down from 1918.

### NATURAL RESOURCES

In the value of its natural resources the Soviet Union stands first among all countries.

**Water Power.**—The undeveloped hydraulic resources are estimated at upwards of 65,000,000 horse power.

**Coal.**—During the late nineties, as a result of extensive surveys made under the auspices of the Government, geologists estimated the total coal reserves of the Empire at 465 billion metric tons. Data published in 1925 by the Geological Committee estimated the "known coal reserves" of the Soviet Union at 334 billion metric tons. The principal fields are the Kuznets Basin in Siberia, 250 billion tons; the Donetz Basin, 60 billion tons; the North Caucasus region, 8,190 million tons; the Moscow Basin, 8,000 million tons.

**Oil.**—The oil resources of the Soviet Union are greater than those of any other country. Though extensive surveys have been made it is impossible adequately to estimate the oil reserves, even in such thoroughly explored fields as Baku and Grozny. For Baku alone the estimates vary from 300 million tons to 900 million tons. The Baku and Grozny fields, and those of the Emba-Ural district, have been the most productive in the Soviet Union. Oil is also in the Maikop district, in the Province of Kuban, at the western end of the Caucasus, at Tcheleken Island in the Caspian Sea, in the Ferghana district in Turkestan, and on Sakhalin Island in the Pacific, as well as in other parts of the Soviet Union, both in Europe and Siberia.

**Timber.**—The forest area of the Soviet Union covers about 3,150 million acres, about three times the forest area of the United States and Canada together. Immense areas are covered with high-grade varieties of cedar, fir, oak, pine, spruce, etc.

**Metals.**—The iron ore deposits in the Krivoi-Rog district of the Don region are estimated at 200 million metric tons, while the iron ore in other surveyed portions of the Kerch Peninsula is estimated at one billion tons. The reserves of iron ore in the Urals have been estimated by conservative geologists at 500 million tons. In the central sections of the European portion of the Union iron reserves are upwards of a billion tons, and there are great unsurveyed storages in Siberia. In explored districts in Siberia the reserves of iron ore are estimated at 73,000,000 tons, including 30,000,000 tons in the Telbes district of the Kuznets basin. During 1925 extensive surveys of the broad area of the Kursk magnetic anomaly were completed. Observations were made at 15,000 points. The reserves of pure iron were estimated at from 18 to 20 billion metric tons, enough to supply the country for hundreds of years.

Manganese deposits in Chiaturi alone are estimated by geologists at 250 million tons. Similarly large reserves are also found at Nikopol. Other deposits are at Krivoi Rog, the Crimea and Maikop.

Rich copper deposits are found in the Urals, the Caucasus, the Don Basin and various parts of Siberia. Research work in connection with the main copper deposits of the Urals shows reserves of upwards of 37 million tons of copper ore, and the whole reserves of the Urals are estimated at 85 million tons.

Great deposits of gold occur in several portions of Siberia. The auriferous area of the Aldan fields alone has been shown in recent surveys to cover nearly 1,000 square miles. Thus far the gold resources of the Soviet Union have been exploited only to a small extent. The gold mineral reserves within the localities where operations already exist are estimated at a minimum of 9,900,000 pounds avoirdupois.

Before the war the platinum deposits of the Urals gave Russia virtually a monopoly in the production of that metal. The industry was paralyzed by the war. It is now gradually being restored.

The Soviet Union also contains large deposits of silver and lead ores, pyrites, graphite, phosphate rock, chromic ores, sulphur, salt, asphalt, asbestos, mica, zinc. Deposits of high grade uraninite, from which radium is procured, were discovered in the summer of 1925 on the western shore of the White Sea by a geological expedition of the Russian Academy of Sciences. Surveys being made by scientists under the auspices of the Academy in many remote places are gradually affording a more comprehensive idea of the natural resources of the country than obtained under the old regime.

**Fish.**—The resources in fish in the waters in and about the Soviet Union are enormous, and the fish are of the greatest variety.

### AGRICULTURE

The immense area of the Soviet Union includes great diversities of climate and soil. In places in the northern part of Siberia the annual mean temperature is one degree above zero, while in parts of Central Asia it is almost tropical.

Ownership of all land rests with the State as a trust for the whole people. Every citizen is entitled to secure land for cultivation. The form of tenure for the cultivator is that of perpetual lease of the surface, for use. There are no private titles. No person may hold land out of use. In the European sections from 96 to 99 per cent of the arable land is in the hands of the peasants for use.

Upwards of 90 per cent of the people live by agriculture.

**Sown Area.**—The sown area in 1925 was about 225,000,000 acres. This compares with 245,500,000 acres in 1913, in the present territory of the Soviet Union. The area sown to grain in this territory in different years is as follows, in thousands of acres:

1913 .....	215,659
1922 .....	117,674
1924 .....	177,579
1925 .....	194,400

**Grain Crops.**—The gross grain crops within the present territory of the Soviet Union in different years are as follows, in millions of bushels:

	1922	1924	1925
Rye .....	786	663	774
Wheat .....	326	334	633
Oats .....	570	483	658
Barley .....	186	153	287
Buckwheat .....	64	53	62
Millet .....	168	71	140
Corn .....	108	69	178
Total .....	2,208	1,826	2,732



Pre-war production in the present territory of the Soviet Union was about 3,200 million bushels. (In the Russian originals of the above tables the figures are given in poods of 36 English pounds each. These pood figures are converted into pounds and then into bushels by applying the standard bushel weights for different grains used by the U. S. Department of Agriculture.)

**Technical Crops.**—The income derived from the so-called technical crops in the Soviet Union is about one-third that derived from the grain crops. The area planted to these crops, in different years, in thousands of acres, is as follows:

	1913	1922	1924	1925
Potatoes .....	6,938	8,338	10,556	11,257
Sugar Beets .....	1,890	456	842	1,193
Flax .....	2,774	1,134	2,994	3,676
Hemp .....	1,755	364	1,796	2,083
Sunflower Seed .....	2,205	3,989	5,696	6,759
Tobacco .....	151	13	95	.....
Cotton .....	2,119	140	1,229	1,629
Total.....	17,832	14,434	23,208	26,597 <sup>1</sup>

In the above table, figures for 1925 for potatoes, flax, hemp and sunflower seed do not include Turkestan and Transcaucasia.

The yield of the technical crops, for different years, in thousands of metric tons, is as follows:

	1913 (Russian Empire)	1924	1925
Potatoes .....	20,262 <sup>2</sup>	30,153	44,281
Sugar Beets .....	10,230	2,997	6,916
Flax (fibre) .....	418	244	404
Hemp (fibre) .....	351	308	449
Vegetable Oil Seeds.....	1,656	2,131	4,262
Cotton, ginned, in thousands of bales of 500 lbs.	953 <sup>3</sup>	521	906

At the time of going to press no certain figures on tobacco had been received.

**Livestock.**—Livestock in the Soviet Union increased rapidly during 1925 and except for horses and hogs the total stands well above the figure for 1916, when the livestock figure for Russia reached its high peak. In the summer of 1925 there were 4,000,000 more sheep in the Soviet Union than in 1916, and 12,000,000 more than in 1913, but the quality was poorer. During 1925 energetic efforts were made to improve the quality of sheep by importations of high-grade stock from abroad. Rambouillet stock to the value of \$250,000 was purchased in the United States, and other purchases were made in Canada and England.

Statistics of livestock follow:

	1925	1924	1916
Horses .....	25,121,200	23,854,200	31,400,000
Cattle .....	53,779,300	51,420,300	50,400,000
Sheep and Goats.....	87,767,600	78,439,600	84,500,000
Hogs .....	17,230,400	17,671,400	19,500,000
Camels .....	730,800	689,400	.....

<sup>1</sup> Not including acreage of tobacco, for which no figures were received.

<sup>2</sup> The figure for potatoes is for 1916.

<sup>3</sup> Five-year pre-war average.

**Collective Farms.**—Before the war there were virtually no collective farms in Russia. In 1925 there were 20,000 collective farms in the Soviet Union. They had about 8,000,000 acres of land and included 1,200,000 persons. The rise of the collective farm is shown as follows:

Year	Number of Farms
1918 .....	900
1920 .....	10,500
1922 .....	11,800
1924 .....	13,900
1925 .....	20,000

**Soviet Farms.**—In September, 1925, there were 939 Soviet farms—i. e., farms operated by the State—embracing 1,316 agricultural units, in the trust system in which such farms are organized. The average area of the Soviet farms was 3,097 acres. They had 25,325 draft horses and 3,000 tractor units.

**Tractors.**—Before the war there were less than 500 tractors in the whole Tsarist Empire. In the spring of 1925 about 5,000 tractors took part in the plowing, and at harvest time 12,500 were in use. Most of them had been imported from the United States during the previous year. During the current fiscal year 22,000 more tractors will be added to those in use. In addition to the imported tractors, home production has been organized at Moscow and Leningrad. A single order for 10,000 Fordson tractors was placed in New York in December, 1925.

**Radio for Peasants.**—The radio is being used extensively to spread the most modern ideas of farming among the peasants. Village reading rooms everywhere are rapidly being equipped with loud speakers. Lectures by agronomists from the agricultural colleges and by practical farmers are broadcasted.

## INDUSTRY

The World War and the civil struggles and invasions left the industries of the Soviet Republic in a state of paralysis. Basic machinery worth billions of dollars had been destroyed, in many cases the technical and working personnel had been scattered. The heavy key industries had suffered particularly. The railroads were completely demoralized. The rolling stock was depleted, 1,250 miles of roadbed had been destroyed, and 3,672 railway bridges with a total length of 48 miles were in ruins. The currency of the country was almost worthless. The first necessity was to restore the railways to a workable basis, and for this the gold reserve had to be drawn upon to purchase rolling stock and supplies from abroad. Efforts were then concentrated successively to rehabilitate the most vital industries. The restoration of the currency to a gold basis in the spring of 1924 greatly assisted the progress of economic recovery.

In the autumn of 1921 industrial production stood at less than 15 per cent of the 1913 output. During September, 1925, production had advanced to 82 per cent of the monthly rate for 1913. This recovery was effected wholly from within, without the aid of a single foreign loan.

Industry is conducted largely by State trusts, operating as autonomous units for production, and held responsible by the Government, through the Supreme Economic Council, for results in economy, efficiency, development and profits. There may be several of these trusts operating in a single industry, divided according to geographic or



other reasons. Certain trusts may also be responsible only in the Constituent Republic in which they operate. For marketing purposes and for the purchase of raw material and equipment, each individual industry is organized in a syndicate, in which the producing trusts have representation.

Private interests are free to enter the industrial field. Any citizen may start without formality a private enterprise employing not over 20 workers and clerks. Private enterprises employing over 20 persons and not over 100 persons may be opened with the permission of the local authorities. For larger enterprises a special leasing or concession agreement is necessary.

Private concessions for developing the natural resources of the country are operated under leases for a limited period of years (see section under Concessions). Numerous productive enterprises are conducted by cooperative organizations.

The transportation lines (railways, air lines, etc.) are conducted directly by the Government through the Commissariat for Transport. Posts, telephone and telegraph lines and radio transmitting stations are conducted directly by the Government through the Commissariat for Posts and Telegraphs.

The following percentage figures of the State Planning Commission illustrate the rise of industrial production in the Soviet Union during the past few years:

Fiscal Year	Percentage of 1913 Production
1921-2	17
1922-3	37
1923-4	46
1924-5	72
1925-6 (program)	98

**Oil.**—For purposes of production the oil industry is mainly conducted by three State Trusts, operating respectively in the fields of Baku, Grozny and Emba. The Oil Syndicate, in which the three trusts have representation, handles the marketing. Before the war the Russian oil industry was hampered materially by uneconomic methods and the clashes of small economic units. Labor conditions were bad and early in the century a series of strikes crippled production. The nationalization of the fields under the new regime brought to the industry cohesion and a rational plan of development, incidentally making possible large economies of operation. Since nationalization the industry has been developed conservatively for the future, rather than for snap profits, and substantial technical improvements have been effected. During the fiscal year 1924-25 machinery worth \$3,000,000 was imported from the United States. During the year \$36,650,000 was spent for restoration and expansion in the fields, and during 1925-26 \$58,600,000 will be expended for this purpose. Production during 1924-25 was nearly 80 per cent of that of 1913. By 1930 it is planned to increase production to 17,000,000 metric tons, or 185 per cent of the output for 1913. The steady rise of production is shown in the following table:

Year	Metric tons
1913	9,215,911
1920	3,893,000
1922-23 (fiscal year)	5,275,430
1923-24 (fiscal year)	6,067,924
1924-25 (fiscal year)	6,950,000

Production in 1924-25 showed an increase of 13 per cent over 1923-24. For the current fiscal year the production plan calls for an additional increase of 25 per cent over 1924-25. New drillings for the past year were 590,700 feet, an increase of nearly 50 per cent over the previous year. Of the drilling, 54 per cent in the Baku fields was done by rotary drills. Production from deep pumps was increased four-fold, to 41 per cent of the total. Seven-tenths of the entire non-gusher production was from electrified wells.

Oil exports for 1924-25 broke all records, being 44 per cent greater than those for 1913. The rise of exports is shown in the following table:

Year	Metric tons
1913	914,032
1922-23 (fiscal year)	309,716
1923-24 (fiscal year)	723,176
1924-25 (fiscal year)	1,316,000

During the past year exports of fuel oil were four times the 1913 figure, and of gasoline nearly double.

While production for the year 1924-25 increased 13 per cent, the average number of workers employed, 60,838, decreased 5 per cent. Labor efficiency, aided by the new mechanical installations, increased 15 per cent.

**Coal.**—The Russian coal industry is concentrated principally in the Don Basin, which, before the war, furnished 90 per cent of the supply, and at present furnishes 75 per cent. Fields are also exploited in the Ural Region, Moscow Province, Kuznets (Siberia), Suchan (Far East), Transcaucasia and other districts.

Output for different years, in thousands of metric tons:

Year	Thousands of Tons	Percentage of 1913
1913	28,356	100.0
1920	8,193	28.8
1921-22	9,935	35.0
1922-23	12,132	42.7
1923-24	15,952	56.2
1924-25	16,107	56.8
1925-26 (program)	24,705	87.0

Exports in quantity were not resumed until the fiscal year 1924-25, when 246,000 tons were exported to Italy, the Near East, Manchuria and China. The figure is 36,000 tons greater than the total exports for 1912.

The next problem of the coal industry of the U. S. S. R. is the intensive mechanization of production. During the fiscal year 1924-25 about \$10,000,000 was spent on restoration and mechanization. During the current year \$43,000,000 will be spent. Large expenditures for equipment have been planned in Germany, England and the United States.

**Mining—Metal Ores.**—The mining industry has been one of the slowest to recover in the Soviet Union, owing to destruction of heavy machinery during the war periods, and to deterioration, etc.

The output of iron ore in the various fields, in thousands of metric tons, follows:

	1913	1923-24	1924-25	1925-26 (program)
Krivoi Rog	6,360	437	1,240	2,700
Ural	1,802	465	760	1,328
Other districts	527	40	50	83
Total	8,689	942	2,050	4,111
Percentage	100.0	10.8	23.7	47.3



Output of manganese ore, in thousands of metric tons, follows:

	1913	1923-24	1924-25	1925-26 (program)
Nikopol .....	251	100	200	500
Chiaturi .....	970	320	340	500
Total .....	1,221	420	540	1,000
Percentage .....	100.0	34.4	45.0	83.3

Capital expenditures for restoration and new equipment for Krivoi Rog and Nikopol in 1923-24 were \$700,000, for Krivoi Rog, Nikopol and Ural in 1924-25, \$2,350,000, for 1925-26 they will be \$9,500,000.

Under an agreement signed June 13, 1925, the Harriman Company took over the operation of the Chiaturi manganese fields under a 20-year concession. Extensive improvements are planned, with a view to working up the production to 1,000,000 tons annually. At present about half the manganese exports go to the United States.

Copper mining is still in process of restoration. The three principal fields are the Ural, Transcaucasia, and the Province of Semipalatinsk in Central Asia. Production is advancing rapidly in the Ural fields, and the two other copper districts are being restored. Production in the Ural fields increased 77 per cent in 1924-25 over the previous year. The figures, in metric tons, are as follows:

	1923-24	1924-25
Copper pyrites .....	100,217	167,004
Cupriferous iron pyrites.....	8,868	26,502
Total .....	109,085	193,506

The production of the Alagir silver-lead-zinc mines for 1925-26 will be brought up to 2,230 metric tons of zinc, 985 metric tons of lead and 3,500 pounds of silver. Much new apparatus has been installed.

During the fiscal year 1924-25, as was also the case in preceding years, the extraction of lead and zinc ores in the Soviet Union was confined to the Sadon mines of the Alagir enterprise (formerly the Caucasian Zinc Company—"Kavtsink"), which now forms part of the State Non-Ferrous Metals Production Industry ("Gospromsvetmet"). The output of lead-zinc ores for 1924-25 amounted to 22,000 metric tons, or three times as much as the total of 7,400 metric tons produced by these mines in 1923-24.

Lead and Zinc smeltings in metric tons follow:

	1923-24	1924-25	Percentage Increase
Lead .....	642.5	968	50
Zinc .....	516.0	1,491	190

Gold production in the Soviet Union during the past fiscal year is estimated at about 60,000 pounds avoirdupois, valued at nearly \$20,000,000. This is about 40 per cent of the production in the United States and about half of the pre-war production in Russia. About one-fourth of the production was from private mining enterprises.

Early in 1925 the Supreme Economic Council announced that the Government was prepared to increase the production of gold by the expansion of the State mining syndicate, the encouragement of native operators, and the granting of large concessions to foreign corporations. In

pursuance of that policy the Lena goldfields were leased for thirty years to an Anglo-American syndicate which is undertaking extensive operations. It was recently estimated that the annual production of gold in Siberia could be increased to the value of from \$150,000,000 to \$200,000,000.

Platinum production before the war was carried on mainly in the Ural mines near Nizhne-Turinsk. The annual output was 27,000 pounds avoirdupois. Production was carried on by unsystematic, wildcat methods with primitive apparatus and the employment of hand labor, chiefly women. The cheap exploitation was exceedingly wasteful. Owing to lack of capital the beginning of the revival of the industry did not occur until 1924. A five-year plan of development has been adopted, which includes no breaking of new deposits, but a careful survey of old placers and a thorough reworking of the waste piles adjoining former workings. A preliminary estimate of production during the mining season of 1925 fixed the output at 12,600 pounds, of which 1,800 pounds was contributed by independent prospectors.

Mineral salt is found in the Soviet Union in large quantities, in salt lakes, salt wells and rock salt. The Don Basin is the principal producing area. Lake salt is obtained particularly in the Perm and Astrakhan provinces, the Bakmut and Slavyansk districts. Production, in metric tons, is as follows:

Year	Output	Per cent
1913 .....	1,998,420	100
1921-2 .....	787,850	39
1923-4 .....	1,155,953	60
1924-5 .....	1,360,660	69
1925-6 (program) .....	1,557,373	78

Textiles.—The textile industry will attain the rate of pre-war production during the fiscal year 1925-26. The industry as a whole produced at upwards of 70 per cent of the pre-war rate during the year 1924-25. During the current fiscal year \$54,300,000 will be expended for major construction and equipment in the cotton industry, \$9,700,000 in the wool industry and \$4,500,000 in the linen industry. About \$33,000,000 is to be spent abroad on new textile machinery, over half of which had been ordered by November 1, 1925. During the next two or three years new factories to the value of nearly \$70,000,000 will be built, of which nearly half were under construction by December 1, 1925.

The advance in the production of cotton goods is shown in the following table:

Fiscal Year	Cotton Yarn Worked up Metric Tons	Unfinished Goods Produced Thousands of Meters	Finished Goods Produced Thousands of Meters	Per- cent- age
1922-23 .....	74,396	621,300	581,400	100
1923-24 .....	101,898	878,900	835,500	148
1924-25 .....	186,113	1,772,000	1,610,000	277
1925-26 (program)...	236,648	2,415,500	2,170,000	374

From the above it will be seen that the output has nearly tripled during the past two years.

At the beginning of the current fiscal year the total equipment of the Soviet cotton industry included 7,246,000 spindles and 176,000 textile looms, of which about 6,500,000 spindles and 135,000 looms were in operation.

The growth of woolen production is shown in the following table:



Fiscal Year	Woolen Yarn Produced Metric Tons	Unfinished Goods Produced Thousands of Meters	Finished Goods Produced Thousands of Meters	Percentage
1922-23	14,563	23,900	21,800	100
1923-24	19,305	32,500	29,200	134
1924-25	27,640	46,200	44,800	206
1925-26 (program)	28,700	61,000	57,700	265

The output of woolens has more than doubled in the past two years.

Production of linens is as follows:

	Linen Yarn Thousands of Metric Tons	Fabric Square Meters
1913	34,200	.....
1922-23	33,960	93,600
1923-24	39,000	114,000
1924-25	50,040	144,000

Up to the close of 1923 the silk industry was virtually at a standstill. The output in 1923-24 was valued at about \$1,200,000. In 1924-25 it increased to over \$2,000,000, including a gain of 65 per cent in the output of twisted silk and 37 per cent in silk yarn and coarse silk fabrics.

**Metal Industry.**—The metal industry of the Soviet Union virtually doubled its output in 1924-25 over the previous year. A further increase of 100 per cent is projected during the current fiscal year, the output for which will be close to that of 1913. During the past fiscal year 41 blast furnaces, 107 Martin ovens and 186 rolling mills were operated by the Soviet trusts. The output for various years, in thousands of metric tons, follows:

	1913	1922-23	1923-24	1924-25
Pig Iron	4,206	300	661	1,304
Martin Steel	4,247	615	993	1,865
Rolled Iron	3,509	474	690	1,335

Copper smeltings in 1924-25 were 6,790 metric tons, an increase of 135 per cent over the previous year.

**Electrotechnical Industry.**—Before the war this industry, which was poorly developed, was massed in a small number of plants of considerable size, with inferior technical organization, outfitted with foreign equipment, mostly German. There was considerable expansion during the war. The industry is now consolidated under several State trusts. During the fiscal year 1924-25 production was 111.1 per cent of the output for 1914.

Production in millions of rubles at pre-war prices is as follows:

Year	Value	Percentage
1914	56.7	100.0
1916	84.0	148.2
1921-2	14.9	26.3
1923-4	47.3	83.4
1924-5	63.0	111.1

Number of workers, 19,500.

In 1924-25 electrotechnical imports from abroad were valued at \$10,500,000, as compared with \$10,000,000 for 1914.

During 1925-26 the plan for the industry calls for an output of 104.9 million rubles (\$54,000,000) at pre-war prices, or 185 per cent of the pre-war output. Nearly \$11,000,000 will be spent in extensions and reequipment.

**Chemical Industry.**—The output of the heavy chemical industry, for the first nine months of 1924-25, as compared with the same period in 1923-24, and for nine months of 1912 in the former Russian Empire, in metric tons, is as follows:

	1924-25	1923-24	1912
Acids	122,630	99,938	162,549
Alkalis	109,438	88,773	198,460
Superphosphates	39,567	22,304	41,404
Other Salts	51,444	41,727	41,158

**Leather Industry.**—Leather dressing is one of the oldest industries in Russia, its products having been exported since the seventeenth century. It is difficult to estimate production before the war, as the official reports did not include the output of the handcraft industry, which was greater than factory production. It is estimated that in 1913 the number of large skins dressed was 8,432,000, and by 1916 this had increased to 13,375,000.

At present the industry is conducted by 11 large State trusts of Federal scope and 70 smaller provincial cooperative and independent concerns. Production in terms of thousands of large skins follows:

	1913	1916	1921-22	1923-24	1924-25
Thousands of Skins	8,432	13,375	4,055	6,120	8,124
Percentage	100	129	48.3	72.5	96.3

Shoe production, in thousand of pairs:

	1921-22	1923-24	1924-25
	2,989	4,057	5,952

During the operative year 1925-26 the industry will reach approximately pre-war production.

**Rubber Industry.**—The rubber industry of the Soviet Union is concentrated in the hands of one trust which operates seven factories. In 1913 the value of rubber products manufactured in Russia was \$61,000,000. In 1920 the output fell to less than 6 per cent of that in 1913. By 1923-24 production had advanced to nearly \$16,000,000 at pre-war prices, or 25.8 per cent of the 1913 output, and during 1924-25 it increased to approximately \$32,500,000, or about 53 per cent of the 1913 figure. Production for the current fiscal year will be about 71 per cent of 1913. Technical equipment to the value of \$2,240,000 will be purchased in the United States, England, France and Germany during the current fiscal year.

**Glass and China.**—Before the war Russia possessed a rather well developed glass industry with 275 plants, employing 75,000 workers, with a yearly turnover of \$33,400,000. Of these plants 178 were working in the present territory of the Soviet Union, the production being valued at \$19,400,000, and 40,800 workers being employed. Within the present territory there were 26 china and crockery factories, employing 19,900 workers with a product valued at \$6,900,000.

The World War and the civil struggles virtually destroyed the industry. In 1920 the output of the glass industry was 3.2 per cent of pre-war, and of the china-crockery industry 4.5 per cent. By 1923-24 production in the glass industry had increased to 30.4 per cent of pre-war and in 1924-25 to 46 per cent. By 1923-24 production in the china-crockery industry had advanced to 41 per cent of pre-war and in 1924-25 to 64.4 per cent.

At present the industry is combined under nine glass trusts, three china trusts, 2 glass-china trusts, and three



combination trusts, in all controlling over 100 factories. During the past fiscal year 41,500 workers were employed in glass production and 17,700 in china-crockery.

**Paper Industry.**—A good part of the plants in the paper industry of the Russian Empire were in territory transferred to the border States as a result of the war. During 1925 the industry was organized under nine producing trusts, conducting 70 mills. The output during different fiscal years, in thousands of metric tons, follows:

	1921-22	1923-24	1924-25
Paper .....	34.7	118.0	192.5
Cardboard .....	2.6	12.4	17.7
Cellulose .....	11.2	35.5	49.9
Wood Pulp.....	14.4	44.8	52.0

The output for 1924-25 was upwards of 95 per cent of the pre-war output in the present territory of the Soviet Union, and 49 per cent of the output in the Russian Empire in 1913.

Imports of paper for the year were 131,200 tons, compared with 43,400 tons in 1923-24 and 157,400 tons in 1913. Newsprint paper formed the bulk of the imports.

During 1924-25 the sum of \$2,300,000 was spent on extensions and equipment, and during the current fiscal year \$11,330,000 will be so expended.

**Match Industry.**—The rise of the match industry is shown in the following table:

Year	Number of factories	Number of Workers	Output Cases
1922-23 .....	79	13,375	1,423,470
1923-24 .....	52	13,039	1,879,257
1924-25 .....	39	13,450	3,068,264
1925-26 (program)			3,728,700

Before the war (1912) there were 115 factories with an annual output of 4,200,000 cases.

The increased production during the past two years has been due to improvement of equipment, and standardization. Labor productivity during 1924-25 was 95 per cent of the 1912 standard, in spite of the fact that the match factories were working on an 8-hour day instead of the 10-12 hour day that obtained in 1912.

**Tobacco Industry.**—The output of cigarettes, in millions, is as follows:

1913.....	25,888
1920-21.....	4,343
1921-22.....	6,664
1922-23.....	12,503
1923-24.....	12,862
1924-25.....	24,000

The industry is consolidated under 12 trusts operating 34 factories. In addition there are a few private concerns which produce about 5 per cent of the total output.

**Sugar Industry.**—A large amount of the best beet-growing territory was lost to Russia as a result of the war. In addition, during the World War and the civil conflicts, many sugar factories were destroyed or severely damaged. The recovery of the industry has been belated, but it is now moving at an accelerated pace, and the good sugar beet crop of 1925 (60 per cent of pre-war) made further imports of sugar unnecessary. The output of white sugar, in metric tons, follows:

1910-13 (average).....	1,513,000
1921 .....	64,800
1922 .....	216,000
1923 .....	405,000
1924 .....	491,400
1925 (estimate).....	820,000

During 1925, 118 factories were in operation, including 15 cooperative factories. During 1924-25 the sum of \$9,000,000 was spent for reequipment in the industry and during 1925-26 \$26,000,000 will be spent.

**Vegetable Oil Industry.**—The output of the oil-pressing industry for the first six months of 1924-25 was 98,000 tons, nearly double the output of the same period of 1923-24.

**Cement Industry.**—Output for the Soviet fiscal year 1924-25 was 3,960,000 barrels.

**Distilled Spirits.**—The production of distilled spirits is a government monopoly. In 1924-25 production was 4,600,000 vedros (about 15,330,000 gallons), of which 70 per cent was vodka of 30 per cent alcohol. The government revenue was \$53,000,000. Late in 1925, because of the wide use of bootleg vodka of inferior quality, some of it dangerous to health, the government monopoly was authorized to produce vodka up to the pre-war strength of 40 per cent alcohol.

**Asbestos Industry.**—The production of asbestos in the Soviet Union is in the hands of the State trust "Uralasbest," which operates three mines. The bulk of production is from the Bazhenovo mines in the former Ekaterinburg Province. The Alapayevsk asbestos mines are operated under concession by the "Allamerico" concession company.

Production has been as follows, in thousands of metric tons:

	1913	1921-22	1923-24	1924-25
Pure asbestos .....	22.5	2.9	7.9	9.8
Percentage .....	100.	13.	35.1	43.5

The high peak in export was reached in 1912, with 13,260 tons. During 1924-25 nearly 10,000 tons were exported, partly from accumulated stocks.

**Home Craft Industries.**—At the beginning of 1925 there were 2,130,000 home craft workers in the Soviet Union. The value of their output in 1923-24 was about \$500,000,000.

**Fishing Industry.**—The following table shows the total catch of fish for the entire Soviet Union (exclusive of the Far-Eastern Region) from 1921 to the first half of 1925, inclusive:

Year	Catch in Metric Tons	Percentage of 1921 Total
1921 .....	254,100	100
1922 .....	331,100	130
1923 .....	318,000	125
1924 .....	360,700	142
1925 (first six months)	288,500	.....

**Timber Industry.**—Russia has never been in a position to exploit properly her enormous wealth in timber. The Soviet forests offer a splendid field for the concessionary. Timber exports, which were resumed slowly after 1920, are now rapidly growing. In 1923-24 they amounted to 115,000,000 cubic feet, in 1924-25 to 150,000,000 cubic feet, valued at \$41,000,000, which is half the value of the exports for 1913. England takes over half of the timber export, and other important customers are Holland, Ger-



many and Japan. During the current year a great impetus is being given to the Soviet timber trade. New countries of export include Italy, Greece, Egypt and South Africa.

### STATISTICS OF STATE INDUSTRIES

The following table records the increased value of production by the large-scale State industries of the Soviet Union during the fiscal year ending October 1, 1925, as compared with the preceding fiscal year. The value was calculated according to pre-war prices:

#### Value of Output by Steadily Operating Large State Industries

Quarter	1923-24	1924-25	Percentage Increase
First Quarter	\$182,222,450	\$285,735,390	56.8
Second Quarter	198,672,580	322,503,300	62.3
Third Quarter	200,107,370	340,073,555	69.9
Fourth Quarter	218,982,120	351,559,085	60.5
<b>Total for Year</b>	<b>\$799,984,520</b>	<b>\$1,299,871,330</b>	<b>62.5</b>

The aggregate increase in the value of production by the steadily operating major State industries for the elapsed fiscal year 1924-25 over the previous year was accordingly \$499,886,810, representing a rise of 62.5 per cent. This growth must be attributed mainly to more efficient management and higher labor productivity and, in smaller measure, to an augmented working force.

The next table shows the changes in the total labor force employed by the continuously running large-scale State industries from quarter to quarter in 1924-25 with the corresponding figures for 1923-24:

#### Number of Workers Employed at End of Month Indicated

Month	1923-24	1924-25	Percentage Increase
October	1,236,900	1,398,600	13.1
January	1,238,300	1,431,300	15.6
June	1,267,600	1,544,700	21.8
September	1,380,100	1,690,700	22.5

### INTERNAL TRADE

The total internal trade of the Soviet Union for the Soviet fiscal year ending September 30 last was \$13,494,000,000, as compared with \$9,310,000,000 for the fiscal year 1923-24, an increase of 45 per cent. The trade was divided as follows:

	1924-25	1923-24
State Trading Enterprises	\$5,552,000,000	\$3,347,000,000
Cooperatives	2,714,000,000	1,466,000,000
Private Trade	2,737,000,000	2,621,000,000
Peasant Trade	2,491,000,000	1,876,000,000
<b>Total</b>	<b>\$13,494,000,000</b>	<b>\$9,310,000,000</b>

### PRICE INDICES OF U. S. S. R.

The following price index figures for the Soviet Union during the past three fiscal years are taken from the November-December, 1925 (No. 11-12), issue of the "Economic Bulletin" published by the Conjunction Institute, i. e., the institute of economic conditions.

The figures given are the average of the index quotations for the first of each month throughout the year in question and are calculated by taking the 1913 price average as 100.

	1922-23	1923-24	1924-25
National Retail Price Index (compiled by Conjunction Institute)	139	198	212
National Wholesale Price Index (compiled by State Planning Commission)	122	170	179
National Cost of Living Index (compiled by Central Bureau of Labor Statistics and State Planning Commission)	146	196	202
National Price Index of Industrial Commodities (compiled by Conjunction Institute)	195	248	230
National Price Index of Agricultural Commodities (compiled by Conjunction Institute)	97	155	194
Ratio of Industrial Commodity Index to Agricultural Commodity Index, taking the latter as 100 (compiled by Conjunction Institute)	201	160	118
Ratio of Industrial Commodity Index to Agricultural Commodity Index, taking the latter as 100 (compiled by State Planning Commission)	191	160	115
Moscow Retail Price Index (compiled by Conjunction Institute)	151	210	222

### TRANSPORTATION

Despite the loss of considerable railway mileage to the border States at the close of the war, the railway mileage of the Soviet Union at the beginning of the fiscal year 1924-25 was 45,000 miles, as compared with 42,500 miles in the Russia of 1913. During the year several hundred miles of new lines were completed, especially in regions rich in minerals and grain in Siberia. Progress was made on the South Siberian trunk line, which will run from Orsk to Barnaul, 1,250 miles.

Freight and passenger traffic far surpassed the expected totals. Freight traffic for the fiscal year 1924-25 was 29,945,355,000 metric ton-miles, an increase of 42 per cent over the previous year. Passenger traffic for the fiscal year aggregated 11,684,000,000 passenger-miles, an increase of 21 per cent. Average freight car loadings increased by 6 per cent, to 9,180 pounds. Average number of freight cars in use was 251,186, an increase of 7 per cent. Passenger cars in operation totaled 10,359, an increase of 17.3 per cent. During the fiscal year 1,449 locomotives were repaired, 73 were imported from abroad, and 177 were built in Soviet factories as compared with 168 in 1923-24. Total good order locomotives in use increased to about 7,000. During 1925-26, 250 new locomotives will be built in Soviet factories.

A beginning was made at electrifying the suburban lines about Moscow and Leningrad, and also the Suram mountain pass section of the Transcaucasian railroad. In all 94 miles are being completed. The general electrification program calls first for the electrification of suburban and mountain lines and eventually for the establishment of electric trunk lines adapted to the transport of trains up to 7,000 tons.



Suburban trains increased by 30 per cent during the fiscal year 1924-25.

The railroads are owned by the government and are run under the direction of the Commissariat for Transport. Net profit from operation in 1924-25 was \$5,665,000.

The pre-war mileage of urban trolley lines was restored by the end of 1924. During 1925 many of the roads increased their mileage and several new cities inaugurated electric car service. The Moscow electric street railways carried 394 million passengers as compared with 281 million in 1923-24 and 257 million in 1913. Motor busses are increasing rapidly in the cities and for interurban use.

Air transport has been extended rapidly between strategic commercial points in the Soviet Union. In August, 1925, the total airplane lines in regular operation totalled 2,187 miles. One airplane line operates between Moscow, Nizhni-Novgorod and Kazan, 570 miles, another between Moscow and Leningrad, 390 miles, another between Khar'kov and Odessa, 360 miles, another between towns in the Crimea. Three lines that now maintain regular communications between points on the Trans-Siberian railway and remote republics in Central Asia carried 558 passengers and had a total air mileage of 84,684 during the first five months of 1925.

Preparations are being made for the opening of a new Yakutsk-Irkutsk air line in Siberia, 1,770 miles, which will connect the Lena and Aldan gold fields with the Siberian railway at Irkutsk. A line is also planned to run from the Siberian railway, near Lake Baikal, to Peking.

During the fiscal year 1924-25 the airplane line of "Deruluft" (Russo-German Aviation Company) carried 1,741 passengers between Moscow and Berlin, and transported 395,900 pounds of goods (including mail). "Deruluft" planes covered 282,600 miles in this service.

#### MERCHANT FLEET AND PORTS

At the beginning of 1925 the merchant fleet of the Soviet Union consisted of 272 steamships and oil burners, with a freight capacity of 322,016 tons and 365 sailing vessels with a freight capacity of 84,226 tons, as well as an auxiliary fleet of 925 small vessels.

Early in 1925 a five-year building program was adopted calling for the construction of 328 vessels of various types with a combined dead weight tonnage of 819,240 tons, to cost \$68,000,000. Thirty of these vessels are being built during the fiscal year 1925-26 at a cost of \$10,500,000. In addition eight vessels, including four tankers and four for general service in the Far East are being purchased abroad. The first four vessels in the new building program were launched in Soviet shipyards in October, 1925.

Expansion and mechanization of Soviet ports has made rapid progress. Odessa can now handle 3,000,000 tons of cargo annually. New modern wharves, new grain elevators, new loading machinery were installed at most of the Black Sea ports during 1925. Extensive improvements have been undertaken at both Vladivostok and Leningrad. At the former port \$1,000,000 is being spent on a railway tunnel a mile long to divert freight traffic from Gold Horn Bay to Ulysses Bay. Nine deep-water mooring blocks and a floating dry-dock have been installed at Murmansk.

During the navigation season of 1925 freight transported via the Soviet river system aggregated 22,950,800 metric tons, equivalent to 52 per cent of the pre-war average of 44,262,300 tons.

#### TELEPHONES, TELEGRAPHS AND RADIO

At the end of 1924 there were 15,017 miles of telephone lines in the Soviet Union, as compared with 9,146 miles in the former Russian Empire at the close of 1913. Telegraph line mileage aggregated 374,529 miles, as compared with 292,349 miles in the present territory of the Soviet Union in 1913. Telephone and telegraph are conducted by the Commissariat for Posts and Telegraphs. They are self-supporting.

Radio is being used increasingly as a means of communication. At the beginning of 1925 about fifty broadcasting stations were operated by the Commissariat for Posts and Telegraphs. Several new provincial stations were built during the year. Six thousand workmen's clubs and 12,000 provincial reading rooms were equipped with receiving stations. Radio newspapers are broadcasted from the Moscow station twice daily. Concerts, lectures on scientific and agricultural subjects, and a children's newspaper are features of the radio programs. A small license fee is required for installing receiving sets.

#### ELECTRIFICATION

In 1917 there were 561 stations furnishing power for general domestic and industrial use. Their total capacity was only 394,000 kilowatts. Plants not engaged in general public service had a total capacity of about a million kilowatts. By 1921, owing to the wars and subsequent destruction and dispersion of the working personnel, the power output had become negligible. Up to the close of 1924-25 the Soviet Government had spent about \$70,000,000 on restoration, and construction of new plants, and the federal budget provides for an additional \$37,000,000 during the current fiscal year. Local and other construction should nearly double this expenditure. By the beginning of 1925 the existing plants had been restored to full capacity of 1,500,000 kilowatts. In addition, by October, 1925, new government stations were providing about 200,000 kilowatts, and various local stations about 50,000 kilowatts more.

The Government plan provides for the erection of 30 new regional stations with a total capacity of 1,500,000 kilowatts. Of these seven were approaching completion December 1, 1925. Seven others were under construction January, 1926. This program will be fully carried out by 1929.

#### FINANCE

Currency.—The Soviet Union was practically the first country on the continent to resume after the war the issuance of a currency backed by gold and foreign currency reserves. The new gold issues began in the fall of 1922 in the shape of the notes of the State Bank of the U. S. S. R. The notes are issued in a new unit, the "Chervonetz" (plural chervontzi), equivalent to ten gold rubles of former days. The gold chervonetz contains 119.4826 grains of fine gold and is equivalent to \$5.146. The final rehabilitation of the currency was achieved in March, 1924, as the result of vigorous measures which were taken for the sanitation of the State finances. The budget was balanced and the emission of the old depreciated paper rubles to cover the former deficit was discontinued. The old rubles themselves were finally withdrawn from circulation and replaced (at a fractional rate of redemption) by a new treasury ruble issue and silver and copper currency. Since that time the new currency has been maintained at the dollar parity and throughout 1925, both within the Soviet Union and on the foreign



exchanges, has generally been quoted at \$.515, i. e., slightly above par.

Currency in circulation November 1, 1925, was 1,246,899,500 rubles (about \$641,654,000), divided as follows:

Kind of Currency	Amount in Gold Rubles
State bank notes .....	719,247,100
Treasury bills .....	372,785,800
Silver coin .....	141,225,900
Copper coin .....	7,175,400
Small change paper tokens (1, 3, and 5 copeks) .....	6,465,300
<b>Total .....</b>	<b>1,246,899,500</b>

The rapid increase in currency circulation is shown in the following table:

Date	Circulation, in Gold Rubles
Oct. 1, 1923.....	271,000,000
Oct. 1, 1924.....	622,700,000
Oct. 1, 1925.....	1,142,884,700
Nov. 1, 1925.....	1,246,899,500

**Banking.**—The State Bank of the U. S. S. R. occupies a dominating position in the Soviet banking system.

It was established in November, 1921, and during its first year enjoyed a virtual banking monopoly, but by the end of 1922, with the rapid revival of the economic life of the country, the need for a more diversified credit system made itself felt and the formation of other banks began. In October, 1922, the State Bank was authorized to issue notes in terms of gold chervontzi.

The original capital of the State Bank consisted of a Treasury subvention of two billion paper rubles, which, chiefly by financing exports repayable in foreign currencies and advancing loans redeemable in gold values, the bank succeeded in steadily converting into stable assets. Further subventions were subsequently made and on May 1, 1923, when the bank's resources were re-computed in its own stable note currency, the capital was fixed at 50 million gold rubles.

Since October 1, 1924, the capital of the State Bank has been 100,000,000 gold rubles. Total capital and reserves on October 1, 1925, were 125,500,000 rubles (\$64,632,500). On January 1, 1924, the gold reserve of the State Bank was 150,000,000 rubles. June 1, 1925, it was 245,000,000 rubles. The balance sheet total increased from 1,618,800,000 rubles (\$837,382,000) October 1, 1924, to 3,430,000,000 rubles (\$1,760,450,000) October 1, 1925. The number of branches increased from 332 February 1, 1924, to 457 October 1, 1925.

*Statement of the State Bank of the U. S. S. R. as of September 1, 1925*

LIABILITIES	Chervontzi	Rbls.	Cop.
Capital .....	10,000,000	0	00
Reserve Fund .....	790,000	0	00
Undivided Profits .....	1,000,758	3	77
Note Issue .....	70,276,865	0	00
Deposits and Current Accounts...	72,162,477	3	01
Transfers .....	347,887	9	91
Government Funds for Loans to Industry and Agriculture.....	21,484,685	1	29
Commission and Interest .....	11,209,904	3	58
Offices, Branches and Agencies.....	114,656,257	0	16
Other Liabilities .....	11,990,028	2	37
<b>Total .....</b>	<b>313,918,863</b>	<b>4</b>	<b>09</b>

ASSETS	Chervontzi	Rbls.	Cop.
Cash .....	10,278,255	9	00
Bullion, Coin, Precious Metals and Foreign Currencies.....	27,421,696	6	81
Securities .....	7,199,549	3	64
Goods .....	151,019	8	04
Bills and Loans .....	112,943,852	4	93
Loans against Merchandise.....	16,440,761	6	74
Special Loans to Industry and Agriculture on account of People's Commissariat of Finance .....	21,503,320	9	10
Commission, Interest and other Charges, etc. ....	4,500,434	1	61
Offices, Branches and Agencies..	107,589,219	9	15
Other Assets .....	5,890,752	5	07
<b>Total .....</b>	<b>313,918,863</b>	<b>4</b>	<b>09</b>

*Issue Department*

ASSETS	Chervontzi
Bullion, Coin, Precious Metals and Foreign Currencies .....	23,892,586
Drafts in Foreign Currencies.....	169,290
Bills .....	46,852,257
Loans against Merchandise.....	85,867
<b>Total .....</b>	<b>71,000,000</b>

LIABILITIES	Chervontzi
Notes in Circulation .....	70,276,865
Balance .....	723,135
<b>Total .....</b>	<b>71,000,000</b>

Some of the other principal banks in the Soviet Union are as follows:

*Bank for Foreign Trade, Organized April 1, 1924*

	Oct. 1, 1924	Oct. 1, 1925	Percentage Increase
Balance sheet total..	\$142,140,000	\$293,550,000	106.5
Capital stock .....	15,965,000	30,900,000	93.5
Deposits and current accounts .....	54,590,000	113,815,000	108.5
Loans and discounts .....	85,490,000	174,040,000	102.5

*Industrial and Commercial Bank*

	Oct. 1, 1924	July 1, 1925	Percentage Increase
Deposits and current accounts .....	\$54,750,000	\$103,300,000	89.0

*All-Russian Cooperative Bank*

	Oct. 1, 1924	Oct. 1, 1925	Percentage Increase
Balance sheet total..	\$46,350,000	\$76,735,000	65.5
Capital stock .....	6,334,500	8,137,000	27.7
Deposits and current accounts .....	12,514,500	25,750,000	105.7
Loans and discounts .....	26,780,000	38,110,000	42.3

*Central Agricultural Bank*

	Oct. 1, 1924	Oct. 1, 1925	Percentage Increase
Balance sheet total..	\$17,500,000	\$88,000,000	403.0
Capital stock .....	7,500,000	26,500,000	253.0



### Moscow City Bank

	Oct. 1, 1924	Oct. 1, 1925	Percentage Increase
Balance sheet total..	\$38,200,000	\$76,600,000	100.0
Capital stock .....	3,700,000	16,000,000	332.0
Deposits and current accounts .....	28,550,000	48,400,000	70.0

On July 1, 1925, there were 260 municipal and city banks in the Soviet Union with a combined balance sheet total of \$149,750,000, including deposits and current accounts of \$84,300,000.

On October 1, 1925, there were 62 agricultural banks (mutual credit societies) with 73 branches and 64 agencies. Their consolidated balance sheet increased from \$41,000,000 October 1, 1924, to \$99,500,000 July 1, 1925.

Primary (local) cooperative credit banks increased from 5,353 October 1, 1924, to 10,385 July 1, 1925. During this period their resources increased from \$43,000,000 to \$99,000,000.

In addition to the Central Agricultural Bank, there are six agricultural banks of the Constituent Republics. On October 1, 1924, their consolidated balance sheet was \$8,000,000, and on July 1, 1925, it had risen to \$29,750,000. Apart from these, there is a steadily increasing number of private banks, known as mutual credit societies.

The number of Savings Banks was 10,157 on December 1, 1925.

**Budget.**—It is obvious that the growth of the federal budget is of the greatest economic significance in a country where such things as transport, communications and large productive and trading enterprises and banks are conducted either directly by the State or by State trusts. In the current budget for 1925-26 over half the ordinary revenues are derived from enterprises managed as the property of the State, while only 46.8 per cent are from taxes and duties. By far the greater part of the items on the expenditure column are productive expenditures, of an economic or social character.

The growth of the budget is shown by the following figures:

1913 .....	\$1,802,500,000
1922-23 .....	762,200,000
1923-24 .....	1,183,400,000
1924-25 .....	1,481,100,000
1925-26 .....	1,945,800,000

According to the figures of the Commissariat for Finances, the new budget will yield a surplus of about \$205,000,000 for the expansion of agriculture, industry and the cooperatives, to be extended in the form of long-term credits. In addition, the proceeds of the internal reconstruction loan of \$154,200,000, the first installment of which was floated in November, 1925, will be similarly used. Of the budget surplus about \$88,000,000 will be used for financing agriculture and enterprises connected with agricultural development, about \$55,000,000 for general industrial development, \$37,000,000 for electrification and the remainder for the cooperatives and public works.

The budget for 1925-26 marks the second year during which the Government can meet all expenditures without resorting to paper issues or a foreign loan. During the twenty years before the war the Tsarist Government was able to balance its budget only three times without borrowing from foreign bankers.

In the current budget the expenditures for social and cultural needs, such as education, public health, etc., are

more than double the pre-war figures, while the appropriations for army and navy are about half those of 1913.

The following gives a summary of the budget for 1925-26 as presented to the Council of People's Commissars:

### Proposed Soviet Budget for 1925-26

#### FEDERAL REVENUES

Ordinary Revenues:	Gold Rubles
Direct taxes .....	568,989,500
Indirect taxes .....	976,189,564
Duties .....	150,254,743
<b>Total tax revenues .....</b>	<b>1,695,433,807</b>
Non-Tax revenues .....	1,925,078,585
Extraordinary revenues .....	158,124,500
<b>Grand total revenues .....</b>	<b>3,778,636,892</b>

#### FEDERAL EXPENDITURES

	Gold Rubles
Ordinary expenditures .....	3,298,524,742
Extraordinary expenditures .....	480,112,150
<b>Grand total expenditures .....</b>	<b>3,778,636,892</b>

**Local Budgets.**—The growth of the local budgets in the Soviet Union is shown in the following table:

	Revenues	Expenditures
	Gold Rubles	Gold Rubles
1922-23 .....	303,600,000	304,000,000
1923-24 .....	681,000,000	663,600,000
1924-25 .....	850,000,000	927,000,000

Deficits in local budgets are made up by appropriations from revenues of the Constituent Republics or the Federal Government.

**Taxation.**—Direct taxes are imposed in the form of a single agricultural tax, a trading tax, a realty tax and taxes on incomes and assessments. The single agricultural tax is expected to net \$111,000,000 in 1925-26, as compared with \$125,000,000 in 1924-25, following the policy of reducing the taxes to the peasantry. The trading tax is expected to yield upwards of \$100,000,000 as compared with \$40,000,000 in 1924-25. The income tax is expected to yield \$64,000,000 as compared with \$40,000,000 in 1924-25.

Indirect taxes consist of excise taxes and customs duties.

Excise taxes are imposed on sugar, tobacco, textile products, fermented and distilled spirits, oil products, salt, tea and coffee, matches, yeast. They are expected to yield \$413,000,000 in 1925-26, as compared with \$200,000,000 in 1924-25.

Customs revenues are expected to yield \$76,000,000 in 1925-26. The actual yield in 1924-25 was \$50,250,000.

**Debts.**—The Soviet Government, since it came into existence in November, 1917, has contracted no foreign debts.

Up to the beginning of the fiscal year 1925-26 the Soviet Government had issued seven internal loans with an aggregate value of \$165,110,000. During the fiscal year 1925-26 it is planned to issue a reconstruction loan of \$154,200,000, and installments of a peasant lottery loan not to exceed \$51,500,000.

#### TARIFF

The Soviet Union has a moderate system of tariff duties on imports, supplemented by duties on a limited number



of articles of export. There are separate schedules for the European and the Asiatic frontiers. Duties collected on the imports across the European frontiers in 1924-25 amounted to \$47,254,940, or about 15 per cent of the value of the total imports. Export duties for the fiscal year were \$3,022,500.

Certain dutiable articles are admitted free through certain ports, in order to develop the business of such ports. Thus imports of American cotton are admitted free at Murmansk.

Goods for transshipment to and from Manchuria are admitted free without customs inspection at Vladivostok.

### FOREIGN TRADE

Foreign trade is a Government monopoly controlled through the Commissariat for Trade and Commerce. Trade is conducted by agencies of the Commissariat, by agencies of the Trading Bureaus of the six Constituent Republics, by the Consumers' Cooperatives and the Agricultural Cooperatives, by trading agencies of some of the large industrial syndicates, by a few mixed companies, operating under license, in which the Government holds a participating interest (generally 50 per cent), and by a few foreign firms operating under special agreements. The mixed companies and the foreign firms usually have a special limited scope.

The growth of the value of the foreign trade turnover is shown by the following table:

1913 .....	\$1,490,495,000
1922-23 .....	199,300,000
1923-24 .....	484,910,000
1924-25 .....	657,631,000

The turnover for 1924-25 increased 36 per cent over the turnover of 1923-24 in spite of the poor harvest of 1924. It was nearly 50 per cent of the value of trade for 1913. Grain exports ordinarily form about 40 per cent of all exports. In 1924-25 they were negligible. In 1925-26 the trade turnover is expected to reach about one billion dollars. In October, the first month of the fiscal year, the turnover was \$81,885,000, and in November, \$62,057,500.

In the following table the figures are for the European frontiers only:

	Soviet Exports to Countries Named		Soviet Imports from Countries Named	
	1924-25	1923-24	1924-25	1923-24
	In Thousands of Gold Rubles		In Thousands of Gold Rubles	
Belgium .....	19,271	13,400	3,316	740
Denmark .....	13,697	15,000	1,666	430
Estonia .....	13,967	20,900	4,168	7,850
France .....	22,133	20,600	9,079	4,460
Germany .....	87,005	93,700	101,602	87,000
Great Britain .....	185,442	113,000	107,806	95,000
Holland .....	20,514	31,000	33,878	2,660
Italy .....	15,433	21,500	5,237	2,200
Latvia .....	62,744	52,500	2,756	4,780
United States.....	21,169	8,500	183,252	97,000
Other Countries.....	46,469	90,600	175,551	85,980
Total.....	507,844	480,700	633,311	388,100
In thousands of dollars .....	261,539	247,560	326,155	199,871

The adverse balance of \$65,500,000 for 1924-25, as compared with a favorable balance of \$47,700,000 for 1923-24,

was due to the sharp curtailment of grain exports following the poor harvest of 1924, and the necessity for imports of flour during the winter of 1924-25.

Exports.—The exports, which aggregated 5,475,000 metric tons in round figures, were divided as follows according to purpose categories:

Purpose Category	Exports for 1924-25		Exports for 1923-24	
	Value Gold Rubles	Percent of Total	Value Gold Rubles	Percent of Total
Materials and Manufactures for Industry .....	314,314,000	61.9	183,300,000	38.4
Materials and Manufactures for Agriculture .....	23,876,000	4.7	11,700,000	2.4
Fuel .....	14,432,000	2.8	5,700,000	1.2
Hygienic and Medicinal Articles .....	1,828,000	0.4	810,000	0.2
Foodstuffs and Fodder .....	146,320,000	28.8	273,000,000	56.6
Articles of Personal Use .....	2,035,000	0.4	1,630,000	0.3
Luxury and Art Goods .....	4,473,000	0.9	4,220,000	0.9
Other Goods .....	566,000	0.1	340,000	0.0
Total.....	507,844,000	100.0	480,700,000	100.0

The preceding figures show a marked change in the composition of Soviet exports for 1924-25 as compared with 1923-24. The exports of industrial raw materials and manufactures (such as flax, timber, furs, industrial goods, petroleum, etc.) were almost twice as large as the previous year, while the exports of foodstuffs amounted to about 50 per cent of the aggregate for 1923-24, notwithstanding the decline in the exportation of grain, which is normally an item of overwhelming importance in this commodity group.

Of the total Soviet exports \$62,294,400 or 23.8 per cent, were shipped overland, while \$199,245,260 or 76.2 per cent, were forwarded by water. As regards tonnage, 9.6 per cent of all the exports were sent over the land frontier and the remaining 90.4 per cent through the seaports.

Imports.—The Soviet Union's imports across the European frontier for 1924-25 aggregated 1,529,000 metric tons. They were distributed as follows in value among the four basic commodity groups employed in Soviet customs statistics:

Commodity Group	Imports for 1924-25		Imports for 1923-24	
	Value Gold Rubles	% of Total	Value Gold Rubles	% of Total
Foodstuffs .....	155,283,000	24.5	32,800,000	8.4
Raw and Semi-Manufactured Materials .....	315,897,000	49.9	237,000,000	60.1
Live-Stock .....	1,148,000	0.2	8,000	0.0
Manufactures.....	160,983,000	25.4	118,292,000	31.5

The two groups of manufactures and raw materials reveal a decrease in their relative importance, while the foodstuffs group plays a larger role proportionally owing to special imports of flour and grain. In absolute figures all three of these groups showed advances, the foodstuffs group having increased by 370 per cent, the raw and semi-manufactured materials group by 33 per cent, and the manufactures group by 35 per cent.

With respect to value \$49,643,400 or 15.2 per cent of the Soviet Union's imports entered the country overland, while \$276,511,700 or 84.8 per cent came in through the seaports. The corresponding figures with regard to ton-



nage were 248,462 metric tons, or 16.2 per cent overland; and 1,280,000 metric tons, or 83.8 per cent by sea.

The role of the different categories of participants in Soviet foreign trade is primarily determined by whether or not they possess the right to do business on foreign markets independently. Organizations not possessing the privilege of doing business abroad directly, execute all their foreign trade transactions through the Soviet Trade Delegations, which handled a large part of the imports and exports during the past fiscal year. The accompanying table records the share of the various classes of organizations participating in Soviet foreign trade during 1924-25:

Type of Organization	Exports		Imports	
	Value Gold Rubles	% of Total	Value Gold Rubles	% of Total
State Institutions and Enterprises	240,192,000	47.3	548,277,000	86.6
State Joint-Stock Companies	160,670,000	31.6	40,537,000	6.4
Cooperatives	63,296,000	12.5	34,121,000	3.8
Mixed Companies	27,913,000	5.5	9,057,000	1.3
Foreign Firms	5,338,000	1.1	8,111,000	1.3
Private Persons	3,605,000	0.7	1,989,000	0.3
Others	6,830,000	1.3	2,219,000	0.3

#### SOVIET-AMERICAN TRADE

During the past two years Soviet-American trade has developed with great rapidity, in the face of considerable handicaps. In 1913 the trade turnover between the former Russian Empire and the United States was about \$48,000,000. During the Soviet fiscal year 1923-24, according to Soviet customs statistics, the trade turnover between the Soviet Union and the United States was \$54,332,500 and in 1924-25 it was \$107,851,800. In other words, the trade turnover between the two countries in 1924-25 was nearly double that of the previous year and was nearly two and a half times that of 1913. The figures for 1923-24 and 1924-25 are for the European frontiers only; those for 1913 include all frontiers. The Soviet fiscal year ends September 30.

Exports and imports for the three years were as follows:

	Exports to U. S.	Imports from U. S.
1913	\$7,290,000	\$40,730,000
1923-24 (fiscal year)	4,377,500	49,955,000
1924-25 (fiscal year)	10,902,000	96,949,800

In 1913 the United State furnished 5.7 per cent of the imports of the Russian Empire and received 0.9 per cent of Russian exports. In the Soviet fiscal year 1924-25 the United States furnished 30 per cent of Soviet imports and received 4.2 per cent of the exports. In 1913 Germany furnished 42.6 per cent of Russian imports and received 29.8 per cent of Russian exports. In 1924-25 these percentages were 16 and 17 respectively. The United States stood first on the list of Soviet imports for 1924-25, furnishing nearly as much as Great Britain and Germany combined.

Soviet-American trade is carried on mainly by six trading organizations with offices in New York. Their reports for the Soviet fiscal year 1924-25 show a turnover of \$103,767,657, as compared with \$53,166,816 in 1923-24. Their reports for 1924-25 do not include American imports of manganese from the Soviet Union, valued at about \$4,000,000.

The trade for 1924-25 was divided as follows among the various companies:

	Exports to Soviet Union	Imports from Soviet Union
Amtorg Trading Corporation	\$40,859,318	\$6,670,713
All-Russian Textile Syndicate	44,401,112	
Centrosoyus-America, Inc.	198,130	5,541,225
Selskosojus-America, Inc. <sup>1</sup>	830,711	23,004
Eitingon-Schild Company		3,722,553
Allied American Corporation	798,751	722,140
Total	\$87,088,022	\$16,679,635

Of the above firms, all with offices in New York, Amtorg represents the trading bureaus of several of the republics of the Soviet Union and most of the large Federal Syndicates; The All-Russian Textile Syndicate purchases American cotton and dyes for the Soviet textile industry; Centrosoyus is the trading agency of the Soviet consumers' cooperatives and Selskosojus of the agricultural cooperatives; Eitingon-Schild imports Soviet furs under concession, and the Allied American Corporation, operating also under concession, is representing certain American concerns in Soviet trade.

The increase in various articles of export from the United States to the Soviet Union is shown in the following table:

	1923-24	1924-25
Cotton <sup>2</sup>	\$39,432,130	\$44,284,833
Industrial Machinery	1,300,000	7,100,000
Agricultural Machinery	1,150,000	8,000,000 <sup>3</sup>
Motor Cars and Trucks	125,000	1,063,000
Metals	176,000	1,240,000
Typewriters and office supplies	146,000	675,250
Chemicals and pharmaceuticals	287,700	437,100
Leather	123,000	422,760
Rosin	234,500	520,500

Other articles of export in 1924-25 included dry goods, hardware, needles, as well as flour valued at \$21,500,000, shipped to the Soviet Union as a result of the poor harvest of 1924.

Furs valued at \$13,975,500 led the list of imports to the United States from the Soviet Union during 1924-25. This figure breaks all records for direct imports of Russian furs, and compares with \$8,940,500 for the previous year. Other imports included sheep casings worth \$1,000,000, flax and tow worth \$355,000, caviar worth \$250,000, bristles worth \$120,000, licorice root worth \$110,000. Imports of manganese ore were about \$4,000,000.

#### COOPERATIVES

The cooperatives in the Soviet Union are playing an increasingly important role in the national economy. The various cooperative societies had 22,000,000 members in the spring of 1925. They perform many of the functions which in other countries are conducted by private enterprises.

The Consumers' Cooperatives ("Centrosoyuz") include 25,516 societies with 42,000 stores and 9,000,000 members.

<sup>1</sup>"Selskosojus" is only beginning to develop its trade. Its trade figures up to January 1, 1926, were as follows: Exports—\$1,908,587; Imports—\$151,263.

<sup>2</sup>Cotton exports to the Soviet Union 1924-5 were 297,848 bales, as compared with about 240,000 bales the previous year. Values given are c. i. f. Murmansk.

<sup>3</sup>Including tractors valued at \$3,870,283.



The gross turnover for the year 1924-25 was estimated at not less than a billion and a half dollars. In two years, from 1923 to 1925, the number of stores doubled and the membership increased 80 per cent.

The Agricultural Cooperatives ("Selskosoyuz") include 415 federations and 45,500 local membership cooperatives (compared with 600 in 1921), with an aggregate membership of 5,000,000 farms on July 1, 1925. On January 1, 1925 the agricultural cooperatives owned 11,000 agricultural enterprises, such as agricultural implement and machinery renting depots, seed cleaning stations, demonstration farms, seed farms, etc. In 1924 their gross turnover was \$318,780,000. In the first six months of 1925 it was \$288,400,000.

The Handicraft Cooperatives comprised 263 federations, which included 11,500 "artels" with 450,000 members on April 1, 1925. During the previous sixteen months the number of artels had increased 53 per cent and the membership by 50 per cent. The turnover for 1924-25 is estimated at upwards of \$275,000,000.

Agricultural credit cooperatives numbered 10,385 on July 1, 1925, having increased from 5,353 on October 1, 1924. Their combined resources were \$99,000,000.

Housing, Building and Renting Cooperatives numbered 25,000 in the spring of 1925, with 12,000,000 members.

Hunting Cooperatives at the beginning of 1925 included seventy corporate bodies controlling 372 trading cooperatives and 32 cooperative hunting groups (hunting "artels"). The membership comprised 230,000 hunting families.

#### TRADE UNIONS

The membership in trade unions in the Soviet Union was 6,950,484 on April 1, 1925, as compared with 5,822,682 on April 1, 1924, an increase of 21 per cent. The various unions are organized in a Central Council of Trade Unions.

Relations between employers and employed are fixed by collective agreements.

Industrial disputes that are not settled amicably between the labor unions and the employing organizations are referred to special Arbitration Courts established for such purpose.

The right to strike is maintained in respect to State enterprises as well as private factories. During the past few years there have been few strikes, in most cases with only a small number of workers involved.

#### PROTECTION OF LABOR

The eight-hour workday is part of the fundamental law of the Soviet Union, and is strictly applied. Overtime work may be performed under regulated conditions including payment. During the past two years overtime work per worker has steadily diminished. During certain seasons of the year agricultural workers may exceed the regulation eight hours, for limited periods, by agreement with employers.

During the year there are twelve legal holidays for workers. In addition each worker has a two-weeks' vacation with pay. In occupations dangerous to health supplementary vacations are allowed in addition to the fortnightly vacation, and in 146 of these trades a shorter work-day is in effect.

Strict child labor laws are enforced in their entirety. No children below 14 years are employed in industry. Data compiled in a special investigation of 38 provinces of the R. S. F. S. R. during 1925 showed that the work-day for youths between 16 and 18 averages 5.8 hours.

The practice of giving working youths periodical medical examinations, a procedure that has been observed for the past three years, is being extended to adult workers in harmful occupations.

The special requirements for women in industry, such as vacations during the period of childbirth, etc., are being rigidly observed.

#### INSURANCE

The State Insurance Administration was organized in January 1922. The Insurance Administration writes policies covering fire, life, transportation, hail, cattle, etc. In addition, at the beginning of 1925 about 5,000,000 persons had social insurance, i. e., insurance against incapacity to work, and on April 1, 1925, 433,386 persons were receiving compensation under this category. During 1924-5 the social insurance companies paid out \$15,450,000 for unemployment benefits.

#### NATIONAL WEALTH

The value of the national wealth of the Soviet Union on October 1, 1924, was estimated by the Central Statistical Department at fifty-two billion dollars.

The total national income from all sources of production in 1923-24 was estimated at six billion dollars.

#### CONCESSIONS

Concessions for the exploitation of certain of the natural resources of the Soviet Union may be secured from the Chief Concessions Committee attached to the Supreme Economic Council, by responsible foreign interests. As a rule the concessions run for a limited period of years. The concessionary furnishes the capital for development and the "know how." The government, in addition to the valid lease, usually affords special facilities for communication and transport and for the importation of machinery and equipment. Some concessions are in the form of mixed companies in which the Soviet Government has a participating interest. A number of foreign firms which operated properties in Tsarist Russia have taken over the old properties in whole or in part under concession agreements with the Soviet Government. These include the Lena Goldfields Company, the Anglo-Russian Timber Company, the Russo-Dutch Timber Company, the Norwegian-Russian Timber Company, the Joint Stock Company of Swedish Ball Bearing Factories, Raabe, Berger and Wirth, Reiser, Borunsky, "Gas-Accumulator," Alftan, Briner, the Ayan Corporation, the Great Northern Telegraph Company, the Indo-European Telegraph Company.

A tabulation made early in 1925 showed that 34.6 per cent of the foreigners who had applied for concessions in the Soviet Union were Germans, 11.9 per cent British, 10 per cent Americans, 8.1 per cent French. From 1921 up to Jan. 1, 1925 1,286 applications for concessions were received and 66 were granted. Of those granted 8 pertained to mining enterprises, 14 to manufacturing, 6 to timber, 7 to agriculture, 19 to trade and 12 to transportation and miscellaneous branches. During 1925 up to October 1, 23 concessions were granted. On May 26, 1925, L. D. Trotzky became Chairman of the Chief Concessions Committee.

The two largest concessions granted during the year were the so-called Lena Goldfields concession, to an Anglo-American syndicate, and the Chiaturi manganese concession to the Harriman Company.

The Lena Goldfields concession is a triple concession. It includes gold mines in the Lena-Vitim region, copper-lead-zinc resources in the Zyrianovsk-Zmeinogorsk region



in the Altai Mountains, and copper, iron and other resources in the Sysertsik-Revdivsk region of the Urals, along with certain timber and coal rights. The concession in the Lena-Vitim region runs for 30 years and in the other two regions for 50 years. The Lena Goldfields Company operated in these same regions under the Tsarist regime.

The Harriman concession, to run for 20 years, covers the largest manganese fields in the world. The company expects to bring production up to 1,000,000 tons annually.

### EDUCATION

At the opening of the scholastic year 1925-26 there were 130,000 primary schools and seven-year-course schools throughout the Soviet Union. During the year 50,000 more will be opened. There were approximately between 12,000,000 and 15,000,000 pupils. In 1924-25 there were 91,350 primary, secondary, seven- and nine-year-course schools with 9,118,059 pupils. In addition there were 5,307 pre-primary schools, children's settlements and schools and institutes for defectives, with 399,726 pupils.

On January 1, 1925, there were 3,030 vocational schools with 283,506 students, 114 workers' colleges with 43,109 students, 903 higher technical institutes with 162,192 students, 170 universities with 170,811 students.

In the universities and technical institutes the students (35 per cent of whom were women) were divided as to subjects of study as follows:

Subject	Number of Students
General instruction.....	56,250
Medicine and veterinary surgery.....	33,091
Pedagogy .....	68,519
Agriculture .....	39,459
Engineering .....	79,873
Industry and economics.....	19,730
Communist theory.....	5,525
Fine arts.....	30,561
<b>Total.....</b>	<b>333,008</b>

In 1924 there were 58,391 establishments for adult education in the Soviet Union, as compared with 33,880 in 1923. These included 14,803 schools for illiterates and semi-illiterates, with an attendance of nearly 500,000 pupils as compared with 2,828 schools and an attendance of 92,868 the previous year.

Appropriations for public education in 1924-25 were \$172,210,000, as compared with \$73,564,000 the previous year. Of the appropriations for 1924-25 \$58,000,000 came from the Constituent Republics, about \$4,000,000 from the Federal Government, as a special appropriation, and the remainder from local appropriations. The appropriations for 1925-26 will be about 50 per cent above those for 1924-25.

A school census will be taken in 1927 in preparation for the establishment of universal public education, which is already virtually established in Moscow province and several other highly populated provinces.

Though up to 1924-25 the educational program was greatly retarded by lack of funds, illiteracy has been greatly decreased as compared with pre-war days. As early as the beginning of 1925 less than 20 per cent of the army recruits were illiterate. Before the war 90 per cent could not read or write. Every military conscript now receives an education during his term of service.

In Moscow at the opening of the school season of 1925-

26 there were 890 schools in operation under the Moscow Department of Public Education, with 180,680 pupils, or 20 per cent more than before the war. In 1924 there were 819 schools with 152,970 pupils. At the beginning of 1925-6 there were 210 kindergartens with 5,729 children between the ages of four and eight years. Before the war there were perhaps a dozen kindergartens for wealthy children exclusively. In addition, Moscow now has 277 children's homes taking care of 23,540 little ones.

### ACADEMY OF SCIENCES

In addition to its purely scientific work, the Academy of Sciences is performing an increasing amount of research and exploration work in the interest of improving production and opening new natural resources for development. Its position in the new Soviet State is one of steadily growing importance, both along cultural and economic lines. During 1924 the Academy held 64 general meetings, issued 55 volumes of scientific publications and conducted 78 scientific expeditions. The Federal appropriation for the Academy was increased from \$825,000 for 1924-25 to \$1,121,600 for 1925-26. Several hundred of the most noted foreign scientists attended the 200th anniversary jubilee of the Academy in the fall of 1925.

### SOCIETY FOR CULTURAL RELATIONS

The All-Union Society for Cultural Relations was formed for the purpose of establishing closer relations between cultural and scientific bodies in the Soviet Union and those of foreign countries. It arranges the exchange of information, reports, periodicals and books issued by such societies in the Soviet Union for similar publications in foreign countries, and it issues weekly bulletins setting forth various phases of scientific and cultural progress. The Society maintains a Service Bureau for Foreign Visitors, which assists foreigners who go to the Soviet Union for purposes of research or study, and arranges tours for visiting professors, scientists, etc. Madame O. D. Kamenova is President of the Society. The address is Sverdlov Place, Second Soviet House, Moscow, Union of Soviet Socialist Republics.

### NEWSPAPERS AND BOOKS

By October, 1925, the circulation of daily newspapers in the Soviet Union had reached nearly three times the circulation of 1913. The number of papers and their average circulation follows:

	October, 1925	October, 1924	1913
Newspapers .....	595	517	859
Daily circulation	7,284,000	3,769,000	2,500,700

In 1913 there were only four newspapers devoted particularly to the peasants, among whom literacy was then a rarity. In October, 1925, there were 146 peasant newspapers with an aggregate circulation of 1,600,000 copies. The non-Russian press in the Soviet Union includes 139 newspapers with an aggregate circulation of 600,000 copies.

In addition to the papers tabulated above there were 27,000 poster newspapers on October 1, 1925.

The principal daily newspapers, with their circulations at the beginning of 1925 include the following: "Izvestia" (News), 500,000, official organ of the Central Executive Committee of the Soviet Union; "Pravda" (Truth), 600,000, official organ of the Communist Party; "Ekonomi-



cheskaya Zhizn" (Economic Life), 40,000, official organ of the Council of Labor and Defense; "Finansovaya Gazeta" (Financial Gazette), 10,000, official organ of the Commissariat for Finances; "Trud" (Labor), 45,600, published by the Central Council of the Trade Unions; "Torgovo-Promyshlennaya Gazeta" (Trade and Industrial Gazette), 12,000, organ of the presidium of the Supreme Economic Council; "Kooperativny Put" (Cooperative Path), organ of Central and Moscow Union of Consumers' Cooperatives; "Krasnaya Zvezda" (Red Star), 25,000, published by Supreme Military Editorial Council; "Byednota" (The Poor), 70,000, peasant communist organ; "Gudok" (The Steam Whistle), 250,000, published by the Central Committee of the Railway Workers Union; "Krasnaya Gazeta" (Red News), 200,000, published by the Provincial Executive Committee, Leningrad; "Leninogradskaya Pravda," 131,000, communist party organ of Leningrad.

The rise of book-publishing is shown in the following table:

	1924	1923	1912
Titles .....	15,600	12,300	22,000
Millions of copies	.900	.625	.800

### RED ARMY

In May, 1925, the Commissar for Army and Navy reported that the numerical strength of the Red Army was 529,000 men.

Military service is obligatory except for persons of certain categories who are deprived of the right to vote at Soviet elections. For those drawn it extends over 21 years (between the ages of 19 and 40) including from two to four years of active service.

In May, 1925, 90.5 per cent of the officers in the army had received a special military education.

Every soldier drawn to the colors receives an education in the army. In 1925, 28,947 totally illiterate and 44,257 partly illiterate recruits were educated. The army maintained 4,500 reading rooms, called "Lenin Corners," in 1925. During 1924, 10,051,801 books were borrowed by soldiers from army libraries.

### FOREIGN RELATIONS

Normal diplomatic relations were restored with France in December, 1924, and with Japan in January, 1925. Business relations with these two countries immediately received a decided stimulus. With the signing of agreements with these two Governments, the Soviet Government had resumed normal relations with all the major countries of the world, with the exception of the United States.

The following countries had established normal diplomatic relations with the Soviet Union up to January 1, 1926: Afghanistan, Arabia, Austria, China, Danzig, Denmark, Esthonia, Finland, France, Germany, Great Britain, Greece, Italy, Japan, Latvia, Lithuania, Mexico, Mongolia, Norway, Persia, Poland, Sweden, Turkey. Czecho-Slovakia has established trade relations.

The following foreign consular agencies were established in the Soviet Union as of November 15, 1925:

Afghanistan: Tashkent, Merv.

China: Kharkov, Semipalatinsk, Vladivostok, Blagoveshchensk, Chita, Nikolsk-Ussuriysk, Khabarovsk, Troitsko-Savsk, Nikolayevsk-on-the-Amur, Irkutsk, Leningrad.

Denmark: Leningrad.

Finland: Leningrad.

Germany: Leningrad, Novo-Nikolayevsk.

Great Britain: Vladivostok, Leningrad.

Italy: Tiflis, Leningrad, Odessa.

Japan: Vladivostok, Alexandrovsk, Khabarovsk, Petropavlovsk, Blagoveshchensk.

Latvia: Leningrad, Vitebsk.

Norway: Krasnoyarsk, Leningrad, Archangel, Moscow.

Persia: Astrakhan, Tashkent, Novorossiysk, Baku, Poltoratsk, Tiflis, Batum, Erivan, Makhach-Kala, Lenkoran, Krasnodar, Saratov, Armavir, Nakhichevan, Ganja, Sukhum.

Poland: Kharkov.

Sweden: Leningrad, Archangel.

Turkey: Tiflis, Baku, Batum, Leninakan, Odessa.

In October, 1925, a new and more comprehensive commercial treaty was signed with Germany, and trade credits to the value of 100,000,000 marks were established in Germany. An understanding was also reached with the Polish Government whereby trading relations were facilitated and annoying frontier incidents were amicably adjusted.

On April 4, 1925, Northern Sakhalin was formally restored by Japan to the Soviet Union.

### RIGHTS OF FOREIGNERS

The rights of foreign nationals, where an agreement exists between their government and the U. S. S. R., are regulated in accordance with the terms of that agreement. If the rights of foreigners have not been specified in the agreement or by special laws, the rights of these foreigners to move freely in the territory of the U. S. S. R., to choose a profession, to open and to carry on business enterprises, to acquire movable or immovable property, or shares on land, may be restricted by decrees of the competent central organs of the Government of the U. S. S. R., with the consent of the People's Commissariat for Foreign Affairs. Foreign joint-stock companies, associations, and others, acquire the rights of a juridical person only by special government permission.

Foreign firms and foreigners are not allowed to own, or to be part owners, of ships navigating under the Russian flag, or of joint-stock companies possessing such ships. Exception is made with regard to mixed companies if such rights have been conceded in their statutes or by special decrees.

Foreign vessels are not allowed to engage in coasting trade between the ports of the U. S. S. R. They may be allowed to do coasting trade by way of concession, and only for a single journey, in cases where the government is interested in it.

Foreign firms desiring to carry on trade operations or to open offices, agencies, etc., in the U. S. S. R., must make an application, with payment of the established stamp duty, to the Commissariat for Trade and Commerce, giving all particulars of the proposed enterprise, including management, ownership and proof of legal existence in the country of domicile, of the applicant firm.

Under a legislative measure confirmed by the Central Executive Committee, June, 1925, foreigners have the right to the use of land for agricultural purposes on the same basis as citizens.

### PATENT LAW

Patents are granted for new inventions capable of industrial exploitation. The holder of the patent has the exclusive right to industrial exploitation of his invention within the territory of the U. S. S. R. He may transfer his patent in whole or in part, and also bequeath it.

Patents are issued by the Committee on Inventions attached to the Supreme Economic Council. They run for fifteen years. Foreign citizens have the same right to take out patents as citizens of the U. S. S. R.

#### VISAS

Americans who wish to obtain visas to visit the U. S. S. R. should communicate with the Visa Department, People's Commissariat for Foreign Affairs, Moscow, Union of Soviet Socialist Republics, or with the consulate of the U. S. S. R. in any country with which the Soviet Government has diplomatic relations.

#### CITIES RENAMED

A number of cities have been renamed since the revolution. The following are the principal changes:

Former Name	Present Name
Alexandropol.....	Leninakan
Alexandrovsk.....	Zaporozhye
Askabad.....	Poltoratsk
Bakmut.....	Artemovsk
Ekaterinburg.....	Sverdlovsk
Ekaterinodar.....	Krasnodar
Elisavetgrad.....	Zinovievsk
Elisavetpol.....	Ganja
Gatchina.....	Trotsky
Petrograd.....	Leningrad
Simbirsk.....	Ulianovsk
Tsaritsyn.....	Stalingrad
Tsarskoye Selo.....	Detskoye Selo
Yamburg.....	Kingisepp
Yuzovka.....	Stalin

#### RUSSIAN WEIGHTS, MEASURES AND CURRENCY

1 pood equals 36 lbs. About 61 poods equal a metric ton.

1 verst equals about two-thirds of a mile (0.66).

1 arshin equals 0.77 yard.

1 sazhen equals 7 feet.

1 dessiatin equals 2.70 acres.

1 vedro (bucket) equals 3.25 gallons.

1 gold ruble equals \$5.146.

1 copeck equals .01 of a ruble.

1 chervonetz equals 10 gold rubles; its gold parity is \$5.146.

The metric system is gradually being introduced in the Soviet Union.



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