

# The Productivity of Russian Labor

From The Russian Soviet Government's First Annual Report

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**E**XACTLY a year has passed since the proletariat by violent effort wrung the power out of the hands of the bourgeoisie and its lackeys. A year of incessant, intensive effort by the proletariat to solve the problem of rehabilitating the disorganized apparatus of National Economy has passed.

The nationalization of the banks, the nationalization of industry, the regulation of the process of distribution, the transfer of industry to a peace basis, (the demobilization of industry)—all these reforms have radically changed the whole structure of national economy.

In what way, then have these reforms reflected on the general economic conditions of the country? Have they increased the national welfare or have they made it still worse?

The bourgeoisie and its "Socialistic" satellites, in resolute chorus, reply:

"The Soviet authority by its wild reforms has destroyed industry; that is why the productivity of labor has catastrophically fallen and continues to fall. There is but one escape from this difficulty—it is necessary to call forth anew the bourgeois spirits and give them authority over production."

Not thus does the proletariat view the situation. It continues uncompromisingly to carry out its plan of the *economic reorganization of the whole system of bourgeois economy* on the basis of a Proletarian Dictatorship, and insists that the economic program of Communism has proven to be deeply vital and correct.

Which of the two is right?

Let us attempt to give our answer on the basis of an analysis of the material facts concerning the productivity of labor.

In order to avoid misunderstandings, we must make a few preliminary remarks. In recent literature, very often two conceptions are confused—the productivity of labor and its intensity. As is well known, however, there exists a wide difference between these two conceptions.

The productivity of labor, i. e., its ability in a certain time to produce a certain quantity of goods, depends not only upon the worker's skill and integrity, but also upon the means and tools of production at his disposal. Therefore, in the process of increasing the productivity of labor, tremendous significance must be attached to the condition of the means and tools of production, and the incessant and sufficient supply of raw materials and fuel.

In this respect, all the districts of Russia, thanks to the war and to the internal disorganization of the mechanism of exchange, were unable to repair and renew their industrial equipment. The impossibility of obtaining new machinery makes necessary the continuation of work in the factories with old, loosened machines, the inability to acquire new parts for them results in substituting parts approximately fitting, etc. All these have seriously disarranged the process of production.

The lack of raw materials and fuel, particularly after the occupation of the Donetz Basin by German and Ukrainian troops, aggravated this industrial ruin. Under such conditions the productivity of labor could not but decrease catastrophically.

Simultaneously with this, and with similar effect, proceeded the very rapid demobilization of factories—the transfer of production from a war basis to a peace basis, which the Soviet Government

had to carry out without previous preparation, immediately after its capture of political power. But even a gradual transition from one kind of production to another, under normal conditions, is followed by a period of some disarrangement, adaptation to the changing conditions; it is ordinarily connected with the receipt of new supplies of raw materials, and particularly with the receipt of new machinery and tools of production. Under conditions, however, of inconceivable world economic exhaustion, with an almost complete cessation of foreign trade and an immense decrease of the internal exchange, the situation was becoming worse and worse. If we add to this the acute lack in the means of obtaining raw material and fuel and of the paying of labor, then it becomes clear that for the proletariat to organize and carry on production under such conditions was a problem inconceivable in its difficulty and perplexity.

The reports and statistics from all factories in one voice point to the lack of fuel, to attempts at adaptation of new forms of it in connection with the transition, and to the lack of the whole series of parts and raw materials.

Reality often presents us with difficult peculiarities—a whole series of factories and mills are often incapable of putting out their full production as a result of the over-congestion of their storehouses; this is to be seen in a whole series of cement and textile mills; match and rubber factories have also complained of the congestion of their storehouses; the same complaint is often made even by our car and locomotive construction factories. Thus, the spokesman of the Kolomensky factory in the May factory conference of mills supplying railroad equipment, brought forth the following data: "The output of cars is delayed by the fact that there is no place in which to store the finished product. . . . At the factory, cars stand in large numbers over the whole factory area; there are now ready about 7 tenders and 35 locomotives." Financial difficulties have been and are experienced by almost all factories. If delays in the payment of the bi-weekly wage which took place at the Kolomensky factory, according to the evidence of the spokesman, have already caused much concern to the masses of workers and have greatly influenced the whole productive process, then what an influence would the non-payment of wages for a period of two months, (Vikunsky factory) or the periodic payment of only a third of the wage, (Beloretzky factories) have produced?

The reports of the managements of the nationalized Petrovsky and Makeefka factories definitely emphasize this point. The management of the Petrovsky factories formulates its opinion on this question in the following words: "The management together with the factory committee has from the very beginning considered it its duty to increase the productivity of the factory, but all our endeavors in his direction could not be realized because of the lack of funds, therefore, to increase the productivity of the factory appeared impossible." In spite of the seeming simplicity of this position, many comrades, not speaking of bourgeois economists, do not take it into consideration; and yet it is a fact that absolutely all factories, either systematically or spasmodically, are suffering from great financial difficulties which bring terrible delays to the productive process. At the present time the financial difficulties have been to a greater or lesser degree solved.

No less an influence on the productive process is exercised by supply. The Russian worker who, until the war, used an unlimited quantity of bread, cannot exist upon an eighth or a quarter of a pound of bread, and still, judging from reports and information, he cannot always figure even on this modest ration. And the worker everywhere was occupied, not only with factory work, but also with the food problem. At times a whole factory (Viksa) brought by the lack of bread to the last extremity, mobilizes and sends out detachments armed with machine guns to obtain bread. There is no need of saying that a starving or half-starving worker is in general a poor worker; besides this, however, the insufficient and irregular bread supply breaks the continuity and organization of the productive process, by causing mass idleness (which numerically continued to grow in a series of factories of the Central district.)

At the present time, when we are successfully realizing the new harvest and are introducing everywhere the class ration, the situation may be considered much improved. The influence of this will be noticed in the factory work in the next few months. We shall not speak at all of the influence of the civil war upon the productive process when Makeefka, for instance, was twice occupied by Kaledine's Cossacks and the Ukrainians, and is now held a third time by the Germans; the same thing has also happened to the Petrovsky factories.

Under such conditions an increase in production can come about only as the result of a titanic struggle of the workers, as the result of an inconceivable sacrifice on the part of heroic masses of their personal interests for the triumph of the common cause. And none the less, it is exactly this process of increase that we are bound to admit on analyzing the figures of a whole series of factory reports.

Ordinarily, when it is attempted to prove a great decrease in productivity of factories, it is done in an extremely simple manner: figures are taken for the first quarter of the last pre-revolutionary years, and are compared with the corresponding figures of the present year; or it is done even more simply by merely taking the figures for Nov. and Dec. in a series of late years. The result is always the same; a colossal decrease of productivity is shown, and from that the inference is drawn of the immediately forthcoming catastrophe. None the less, not a single sane person ever doubted the fact that the greatest economic changes must temporarily affect production. And therefore, it is not important for us to know that after the proletarian revolution which has taken place in an atmosphere of extreme economic exhaustion, there was to be noticed a decrease in the productivity of labor. What is important is how the curve-line ran after the change. It is necessary to compare the figures of the nearest months following the change, gradually one after another, in order to discover the basic tendency which will enable us to draw a conclusion as to whether we have to deal with a decrease of the productivity of labor—as a permanent phenomenon under the present changed social structure of life—or whether it is merely a temporary condition. On the basis of this proposition, we will now submit some figures.

(To Be Continued)