

Tchicherin's Report to the Fifth Soviet Congress, July 1918

III.

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ALL such impracticable actions give cause for protest from the German government and also cause for conflicts which increase the obligations excessively. The question of computation of the damage caused by us, the question of the financial liquidation of our obligations which were caused by these actions and the question of the regulation of our social legislation relative to foreign subjects demand immediate decision.

The joint Commission of German and Soviet representatives, who are at this moment in session in Berlin is confronted by an extremely complicated problem. Our representative, Bronsky, proposed the following conditions for an agreement, in the name of the People's Commissaire of Trade and Industry:

1. Russia must, for the sake of economic restoration, take up her economic relations with the Central Powers again, and at the same time continue her relations with the Entente Powers as far as possible.

2. To meet our obligations to the Central Powers, according to the treaty of Brest-Litovsk, we are compelled to conclude a loan, whereby the total amount of these obligations shall be turned into a state debt. The payments of interest shall be partly in products of our country, and timber, and partly in gold and in German securities in possession of the Russian government.

3. As a guarantee for this debt, and also for the payment of the more necessary products for the economic reconstruction of Russia now being bought in Germany, we propose to give certain concessions for the exploitation of natural resources in Russia. The condition of these concessions are within the existing Social and Trade laws of Russia and provide that we take part in the exploitation of these resources, retain a part of the proceeds and reserve the right of control.

4. The concessions cover the following branches of the State's economy: (a) The production of oil. (b) The building of railroads. (c) The preparation and exploitation of certain branches of agriculture by introducing more scientific and technical methods of agriculture, under the condition that Germany will receive a certain part of the products resulting from such methods. (d) The production of artificial fertilizer. (e) The exploitation of the gold fields.

5. For the realization of these measures all the productive forces of Russia must be mobilized.

The following are the necessary conditions under which the agreement is sanctioned:

(a) No interference whatsoever by Germany in our internal politics.

(b) No intervention by Germany in those countries with which she was formerly united, by the conclusion of mutual economic treaties, to wit: Ukraine, Poland, the Baltic Provinces (Estland) and the Caucasus.

(c) Recognition by Germany of the nationalization of foreign trade and the banks.

(d) Guarantee from Germany for the continuation of the supply of ore to Soviet Russia from Kri-voï Rog in the Kherson government, and from the Caucasus, from which districts Russia has hitherto received at least half of the total ore production.

(e) Ratification of the boundary between Ukraine and the Don region whereby Russia shall be awarded the Donetz coal mines, as at present this boundary line runs through the center of the mines.

Concerning the demand that we meet our obligations by payment with products, we call attention to the fact that our decided refusal to agree with these claims does not mean that we refuse, for, as far as our position as a neutral nation makes this possible to supply Germany with raw materials and products, we are willing to deliver to her what we can without injury to our own interests, without conflicting with the situation of our country as a neutral nation.

But our interests, the interests of an exhausted nation, make it necessary that we receive in return for products which are expensive in Europe at present such products as are absolutely necessary for the restoration of the country.

Relative to the opinions existing in the capitalistic centres of Germany, that our social experiments make the concessions worthless, that the nationalization excludes the possibility of making profits for foreign capitalists, we declare: Our country is in a state of deterioration; every other form of restoration, except the form, which is pointed out by the German capitalists as a Socialistic experiment, would be resisted by strong opposition of the masses, as the people have learned by grave experience of many years never to submit again to the uncontrolled capitalistic hubbub of restoration. If German Capitalism would reckon with this fact,—and a fact it surely is—then the German capitalistic centres would understand that we have, after the inevitable period of confusion, reached the work of organization, and that we require for this work the assistance of foreign economic apparatus, as long as we can not depend upon the assistance of a

Socialistic Europe. We are prepared to pay for such assistance: yes, to pay. We declare it openly, as we are not to blame.

The nationalization of the principal branches of industry, the nationalization of foreign trade do not exclude these payments; they but determine the form and manner of payment which foreign capital shall demand.

The question of the return of the prisoners of war and civil prisoners, and the maintenance of them until their return to their countries, played a great part in our relations to Germany and Austria-Hungary. Between Russia and Austria-Hungary, the question of the number of war prisoners to be transported presented no difficulties, as the number of prisoners on both sides was less than a million. There was difficulty with Germany, as the number of our war prisoners in Germany was more than a million, while the number of German prisoners in Russia was but little more than a hundred thousand. As the Russian-German commission in Moscow could not come to an agreement on this question of the basis for an exchange of war prisoners between Russia and Germany, it was referred to the Russian-German commission in Berlin, who adopted the principle of exchanging man for man, in accordance with an ultimatum of the German authorities on June 24. We had to accommodate ourselves to this demand. We are yet facing a severe struggle for the improvement of the conditions of our war prisoners in Germany, where the majority of them labor under extraordinarily, severe conditions. We must labor unceasingly so that when the German prisoners of war shall have returned to their country the further return of Russian prisoners occurs in the same tempo.

The relations to Austria-Hungary are less vital than those to Germany, as the treaty of Brest-Litovsk was only lately ratified by Austria-Hungary. In the beginning, there was only the question of the exchange of prisoners of war, but later a financial commission arrived in Moscow from Vienna, with the object of regulating the mutual financial obligations of both states upon a basis similar to that of the Russian-German commission in Berlin. Kamjenif was appointed as our representative to Vienna. But we have not as yet received his recognition by the Austria-Hungarian government. We expect the appointment of representative of Austria-Hungary to Moscow in the near future (this report was made in the beginning of July) which will greatly improve the relations between both countries.

The Turkish ambassador, Thalib-Kemal-Bey, came to Moscow with the German ambassador, Count Mirbach, but the establishment of friendly relations between the peoples of Russia and Turkey, which country is also the object of exploitation by World Capital, was prevented by the aggressive policy of Turkey in the Caucasus, where the Turkish army, after having occupied Batoum, Kars and Ardahan, commenced to advance further, occupied Alexandropol and threatened Baku. The horrible treatment of the Mussulmen in the Caucasus was always pointed to by the Turkish ambassador as an answer to our protest.

The lately arrived Bulgarian ambassador, Mr. Taj-aprasnikof, pointed constantly to the absence of any causes that could interrupt the friendly relations of the peoples of Bulgaria and Russia, while at the same time, the total absence of all aggressive endeavors in our policy, to which we called the attention of the Bulgarian ambassador, makes it possible to maintain the friendly relations in both countries.

The most favorable position to Soviet Russia among the Entente Powers was adopted by the United States of North America. (We remind our readers that this report was made in the beginning of July, 1918.) We want to remind you of the telegram of greetings to the Emergency Congress by President Wilson in March.

It is a public secret that at the moment when many voices were raised in favor of intervention by Japan in Siberia, the principal obstacle to intervention was the negative position of the government of the United States of North America. Our plan is to offer an economic agreement to the United States of North America, besides our negotiations for an agreement with Germany, and to Japan, as well, with which country, despite the landing of Japanese troops in Vladivostok and despite the campaign of a part of the Japanese press in favor of intervention, we hope to maintain friendly relations.

A great number of the French people adopted an unfriendly attitude towards Soviet Russia, caused by the annulment of the State debt. When the question of a possible armed invasion of Japan and may be of its allies in the Soviet domain became acute, the interview of the French ambassador in regard to the possibility of armed intervention, eventually even against the Soviet government, served as a alarming sign of

a coming crisis. When the Russian government demanded the recall of the ambassador, whose declaration would prejudice the friendly relations of both countries, the French government gave no answer, and at this moment (beginning of July) the French ambassador is still present in Vologda, although the Russian government considers him merely an ordinary individual. On the other side, the French government refused to allow admission to France to Kamjenif, who is traveling on a special mandate of the Russian government. Despite our continuous demands for the return of our troops stationed in France, only the invalids were sent home. Constant pressure was brought to bear in different ways upon our soldiers to induce them to continue the war in the ranks of the Russian legions. The great majority of the soldiers refused because they recognized the authority of the Soviet and approved the withdrawal of Russia from the war. On account of this, many were persecuted or were sent to the African penal camp.

In the beginning of the year (1918), when the negotiations concerning the return of our troops from France were started, France proposed, as an indispensable condition, the return of the Czecho-Slovak divisions to France, as France was very much concerned with their fate. When the Czecho-Slovaks started their rebellion, the representative of France in Moscow declared that the disarmament of the Czecho-Slovak soldiers would be considered as an unfriendly attitude of the Soviet government towards France, in which opinion he was supported by the representatives of England, Italy and the United States of North America.

The English government has, on the other hand, not only kept her frontiers open to the agents of the Soviet government (this was, to remind the readers again, reported before the conspiracy of Lockhard, which caused the change in attitude of the English government) but also commenced negotiations with the authorized representative, Litvinof, of the Russian Soviet Republic. He was allowed the right to send and receive couriers, and to use the code, but notwithstanding this, the attitude of the English government towards him is, in many respects, not in conformity with the dignity of the Russian Republic. After he had rented a house for the embassy of the Russian diplomatic representation, the owner, without any cause, declared the contract void, and the court has evidently sustained the illegal action of the owner, and the court embellished its decision with comments which were offensive to the Soviet government. Our couriers were admitted but were subjected to a careful investigation. When Kamjenif and Salkind arrived in England, all their diplomatic documents were taken away from them, and only returned when they left England. They were compelled to leave England at the first opportunity and the police who accompanied them treated them shamelessly. A few people who were working in the bureau of our diplomatic staff were expelled from England, and were not even allowed to confer with Litvinof.

The English government maintains friendly relations with the old Czaristic embassy and consulate, as well as with the so-called Russian Governments, and the English government consults them on all subjects which concern military service, Russian prisoners of war, Russian steamers in English harbors, and other general interests of Russia. Consuls McLean in Glasgow and Simonof in Australia, appointed by Russia, were not recognized. The situation was most difficult right after the conclusion of the Brest-Litovsk treaty. The yellow press insulted McLean viciously.

The position of Russian citizens in England is, in general, very difficult; the pogrom agitation seems to continue in the newspapers. The return of Russian citizens is made very difficult for them. The old military agreement concluded by Kerensky, which gave the English government the right to draft Russian citizens in the English army, is still made use of. In the beginning of 1918, we declared to the government of Great Britain that we do not recognize this Kerensky agreement. Comrade Litvinof demanded the liberation of these citizens who were drafted into the English army upon the basis of this agreement, but received the answer that foreigners could not live in England without performing work in the interest of the nation and that those Russian citizens would be drafted in the workers' divisions for the production of munitions for the army.

Soon after this many were transported to Egypt to be drafted in the Jewish legion in Palestine. The drafting of Russian citizens in the English army was temporarily discontinued, but afterwards renewed, with the difference that those who were called in the service were not put in the army on the field but in the above-mentioned workers' division.

(To be continued)