

## Russia's Economic Needs

AMERICANS who favor the recognition of the Soviet Government of Russia profess to believe that much of the famine, poverty and distress that have afflicted that unhappy country was due to the failure of the United States to recognize the Russian Republic. Recognition, it is claimed, would have been promptly followed by the investment of American capital in developing Russian industry and trade, and American tractors and other farm machinery would have relieved the conditions of insufficient food production caused by a lack of work animals. To the question, "What is the obstacle to Russian self-help?" the Soviet sympathizers' reply is, "Lack of capital." Russia has fertile lands in abundance; great timber forests; vast coal and iron deposits; valuable waterpowers, and stores of oil. She has millions of workers who can readily be trained to industrial pursuits. With all these favorable conditions why does the work of reconstruction halt?

Not because of a lack of capital, in the true sense of that term. Russia does need railway equipment, modern farm implements, the extension of industrial activities, and the promotion of commercial enterprise. These she cannot procure until there is that respect for private property that is the basis of civilized society. The Russian financial system must be reorganized so as to get rid of the inflated and worthless paper currency. Provision for banking systems making possible the organization of credits on a large scale must be made. The Soviet leaders evidently do not understand that the prime requisite for the complicated machinery of efficient wealth-production and distribution is good faith and mutual confidence. If the ruling oligarchy will only take its hands off banking and finance, so that capital for industry can be made available, there would seem to be no reason whatever why, with the land in their possession, the Russian people should not only feed themselves but produce practically all the staple manufactures that they need.