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The Russian Enigma in Trade and Finance

Canadian Trade Commissioner Regards Field as Enormous—Manufactures Have Ceased and Imports are Largely Cut Off—Political Action Necessary as Preliminary to Trade Connections—Transportation and Finance Facilities also Necessary to Promote Trade.

THAT an unusual opportunity for the promotion of Canadian trade abroad exists in Russia is the opinion of Mr. C. F. Just, who for some time past has been Canadian Trade Commissioner in Moscow. Prior to 1914, of course, Russia's principal trade was with Germany, not only because of geographical contiguity, but also because the Russian market was carefully developed by the German interests. There are also in Canada at the present time two other Canadians who are familiar with Russian conditions, namely, Mr. R. S. Botsford, of the Russian Reclamation Company, of Petrograd, and Mr. J. W. Mitchell, of the R. Martens Company, of Petrograd. These two gentlemen, together with Mr. Just, recently addressed the Montreal Board of Trade regarding the possibilities of export business with Russia and outlined the following preliminary action which they considered necessary. First, co-operation on the part of Canadian manufacturers for the production of specialized articles; second, the provision of adequate transportation facilities to Russia; and third, the arrangement of financial machinery.

Mr. Just has been connected with the Canadian department of trade and commerce for a long time. Prior to the war, Mr. Just was Canada's trade commissioner in Germany and for nine months subsequent to the outbreak of war he was confined in Hambourg. His exchange, however, as effected by the British authorities and after returning to Canada he was sent to Russia in 1916. Mr. Just remained there until the outbreak of the revolution when he was compelled to give up his work. He accompanied the British, French and Italian Embassy officials to Helsingfors, in Finland. From there he succeeded in reaching Sweden and Scotland.

Regarding action on the part of the Allies, Mr. Just recently stated: "The main thing for the Allies to do at the present time is to impress on the Russians that they are their friends in spite of all. If commissions are seen to assist Russia, they must render practical help and take care not to give an impression that they intend to exploit the country. That is Germany's policy and one that must be avoided at all costs by the Allies."

Mr. Just views with alarm the nationalization policy which is being attempted by the Bolshevik government. He forecasts the overthrow of the present administration as soon as the peasant class becomes alive to the fact that the lands which they now hold are not theirs in fact, but

are really held by the government, under the system which has been inaugurated. Mr. Just has great faith in the system of provincial government in Russia and believes that these units have helped to maintain the organization of the country.

Mr. Just is particularly firm in the view that the Allies must not abandon Russia, and favored the suggestion that commissions be formed by the allied countries to establish the national services of Russia on a solid basis, as soon as a responsible government has been formed. These views are in line with general opinions in England and the United States. The recent announcement of the United States government is, in fact, in the direction of still milder action. Suggestions regarding the political and economic reconstruction of the country are to be made and the services of the Allies are to be at the disposal of Russia. The only military force that will be sent, however, according to the recent announcement, is a small one, just sufficiently large to guard the actions of the Allies and to prevent interference from German sources.

It seems, in fact, that in this case a political arrangement must precede commercial relations. It is useless to attempt trading with Russia until a reasonable strong government is established and the necessary financial machinery is in working order.

Opinions of considerable authority on the Russian situation were recently expressed by Mr. William Martin, writing in the Swiss "Journal de Geneve," as follows:—

"Economic life has stopped completely. The strike has become general. The few offices that help in the search for employment are directed by illiterate and dishonest workmen. Trotzky himself, at a recent conference held in Moscow, said: 'I am compelled to admit that the results obtained by the workmen are equal to nothing.'

"The officials of the old government agree to do hard work to earn their living. Manufactured products are lacking because they are not being manufactured; food provisions are lacking because the farmers are keeping their products for themselves. In addition, the means of transportation are lacking, and the money, which is being concealed.

"Nobody carries any money to the confiscated banks, which are slowly being emptied. In Moscow alone the banks have paid out 1,700,000,000 rubles (nominally