

## ECONOMICS, TRADE, AND FINANCE

### THE SOCIALIZATION OF AGRICULTURE IN GERMANY

BY FRANZ BEHRENS

SINCE socialization is to be extended to agriculture, it is worth while discussing to what extent it may, with advantage to the community, be introduced into this highly important branch of economics. It must be recognized at once that in the interests of the public food supply the productive capacity of agriculture must not be diminished below that of pre-war days by socialization, but must rather be increased. But this productive capacity depends largely upon the provision of the requisite labor. Accordingly, socialization in agriculture must first and foremost deal with the position of the workers. As regards workers' insurance, the agricultural laborer must not occupy a position inferior to that of his colleague in industries, *i.e.*, he must have a right to vote in the Provincial Sick Pay Offices and, in addition, the provisions of the Imperial Insurance Act, which enact that the local wage is the basic loan, that maternity grants are restricted to four weeks, and that the average annual earnings form the basis for assessing accident annuities, must be rescinded. In order speedily to settle disputes arising out of the labor contract, Provincial Labor Courts, after the pattern of the Industrial Courts, must be established. An Order of the Imperial Labor Bureau has already occasioned workers' committees to be set up for all agricultural concerns employing at least twenty hands, but it seems desirable to develop these

committees by extending their powers. Moreover, a further goal attained is the establishment of conciliation boards for general wage and labor disputes. The Order of December 23, 1918, gives a practicable basis for a system of wage-scale agreements, but these, as far as putting them into practice goes, are still in their infancy in agriculture. None the less, the drafting of a suitable Provincial Labor Act must be one of the first tasks of the Legislature. Agricultural laborers now possess an unlimited right to combine, but the situation is anything but satisfactory, and what is required is an assured right to combine, together with arbitration procedure and compulsory negotiations. The statutory representation of agricultural laborers must be secured by reorganizing the Chambers of Agriculture in such a way that land-owners and agricultural laborers throughout the country may become members of the Joint Labor Councils in process of development.

In the circumstances it will then be necessary to establish a Central Imperial Office for those interested in agriculture. Whether it is desirable to create an Imperial Ministry for Agriculture is a matter which may be left for the present. But if an Imperial National Economic Council is established, it is eminently necessary that agriculture, including owners and workers, should be amply represented in it. It is not sufficient, if the popular food supply is not going to suffer, to regard agriculture in future as a branch of industry, but consideration must be shown to it corresponding to its special importance and its peculiar nature. Another tendency of socializa-

tion is to give the workers a share in the management of the business and in its yield. But as regards small farms, the impossibility of such procedure needs no special emphasis, and even in large farms such coöperation is out of the question. Should such powers be conferred upon the workers' committees endless disputes would arise.

Matters are, however, otherwise with the participation of the workers in the yield of the business, for that would give the worker a lively interest in the agricultural price policy and all those matters of agrarian policy bound up with it. The agricultural laborer's share in the profits, whether in the shape of a participation in the net or gross profits, is bound to play an important rôle in future. It is, however, difficult to see how this question, which is closely connected with wage-scale agreements, will develop. Systematic intervention by the State must be avoided in view of the peculiar and varied nature of the industry, and the settlement of the question must be left to the trade organization. It is a matter for discussion whether land used for agriculture and agricultural concerns could be socialized, *i.e.*, handed over into the hands of the State or the community without prejudice to the general welfare and the people's food supply. The land must, in any such discussion, be separated from actual agricultural operations, for agriculture can be carried on with equal success no matter whether the farmer or the State is owner of the land. The deciding factor is the security of the farmer's tenure, and private ownership is the best security for permanent tenure. There are other forms of tenure, *e.g.*, leases, etc., but it is certain that the possibility of the yield of land suffers when the land often changes hands either by sale or transference of the lease. The question

of transferring agricultural holdings into the hands of the community is not so much one of the socialization of agriculture as of State or Communal finance, *i.e.*, a question in which form agricultural property contributes most to the State.

The transference of an agricultural concern, especially of the means of carrying it on, *e.g.*, machinery, implements, livestock, seed fertilizers, etc., to the hands of the community is a monstrous idea. All socialization is an increase of bureaucracy, and that in the case of agriculture is particularly objectionable because it is opposed to its innate characteristics. Agriculture cannot be carried on by a committee; it demands an intimate knowledge of the peculiarities of the land and of the climate and a suitable division of labor. Unless the manager of a farm possesses initiative and a personal interest in the farm, it will never be carried on successfully to the benefit of the national economic system.

In the interest of the return of ordered conditions in agriculture and the security of the national food supply bound up with it, the Imperial Government ought to inform the public what it understands by the socialization of agriculture and to what extent it means to carry out its ideas. On the other hand, it is equally desirable that agriculturists should examine the question of socialization in all seriousness and with open minds in order that light may soon be thrown upon a difficult subject.

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## BRITISH IRON-ORE RESOURCES

BY H. LOUIS

ONE of the most marked effects of the war has been the stimulus that it has given to the development of the