

Austria has also a younger generation of honest, outspoken idealism which is free from brutality. How could an artist represent it? Not with one figure, certainly, but only with a

youth and a maiden side by side, — perhaps in sport clothes, — hand in hand, gazing thoughtfully and gravely into the distance — into a better future in spite of everything.

## THE REVIVAL IN THE BALTIC STATES

BY W. R. BAUM-HARMSSEN

*[There has been during the past year a decided quickening of trade between the new Baltic States, which were at one time Swedish possessions, and the Scandinavian countries. Credits have been extended and in Sweden and Denmark the new landowners across the Baltic have bought both agricultural machinery and blooded stock. There they have also gone to learn up-to-date farm methods.]*

From the Göteborgs Handels och Sjöfarts Tidning, November 15  
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IN the Border States across the Baltic — Esthonia, Latvia, and Lithuania — life is every month returning more and more to normal grooves. The situation is not the same as before the war, but it resembles it in many respects. Transportation is as yet imperfect, but it is improving. The industries of Riga have not wholly risen from the ruins left by the Russian 'evacuation' of 1915-1916, but to anyone who three years ago traveled up the Dvina and saw smoke rise only from the chimneys of the electric power station, the numerous smoke columns, right and left, seem like spring signs of a new era.

And in Reval things are even better. Here the factories were, on the whole, left untouched. If you want a good perspective, climb the Cathedral Hill. You will first be impressed by the landscape: the old centre of the city, the new sections, the suburbs with their villas, the mast-filled harbor, the old churches, the crumbling old fortifi-

cations, warehouses, ships — everything apparently risen from the sea which on three sides frames the picture. But if you look closer you will also soon identify the extensive industrial district where visibly and audibly work goes on under full steam.

From time immemorial Lithuania has been an agricultural district. But what factories there are in Kovno and elsewhere are again busy, and new workshops, some of them backed by foreign capital, are rising. Still greater gain has been shown in these countries by exports and imports. The foreign trade, as well as the transit trade of Russia, has grown and doubled many times during the past three years.

Finally we come to the lifeblood of economic life — namely, money. At first all these new countries had to go through the financial diseases of childhood. Now these have been overcome and in all three States the currency has been stabilized. In Lithuania, to be

sure, the *lit*, nominally worth one tenth of a dollar, has sunk to one eleventh, but, after all, that is a comparatively slight depreciation. The Esthonian mark, on the other hand, has hardly changed value since 1922. They still use big figures in Esthonia, — one dollar is worth 350 marks, — but the essential requirement, stability, has been achieved. Latvia has changed the local ruble, which during the first years after the foundation of the State also kept sliding down, for a monetary unit of much greater value, the *lat*, which now has the same value as a Swiss franc. The main thing is that it has remained stable since the reform in 1922. One dollar is worth 5.05 lat.

With sound psychological insight Latvia has recently introduced metal coins instead of paper. The rather handsome Latvian *santimis* (centimes) — street-car fares of twelve *santimis*, plain but abundant meals at eighty *santimis*, and railroad tickets from Riga to Reval (about 220 miles) at 15 lat, 20 *santimis* — have a quieting effect on the nerves after the astronomical figures used in Germany, Poland, and Russia.

'Here,' you say, 'things are beginning to straighten out.'

A further confirmation of this you get from visits to private families. There is no food shortage. There are poor people and more of them than before the war, but once more they are an exception. In comparison with Germany, where hidden and frequently open need is the rule, where millions actually suffer from undernourishment, the Baltic Border States seem a veritable El Dorado.

Scratching a little deeper down, you discover, however, that of the former prosperity there is left only a modest fraction. In particular have the middle classes been obliged to reduce their standard of living. The salaries of offi-

cials and the incomes from the professions are hardly half what they were. As a single illustration I will cite a case from Latvia, where the salary of a cabinet member is only six hundred lat a month or the equivalent of two hundred and fifty gold rubles (\$120). Before the war every minor official, if fairly well educated, received that much. The average income of a brain worker varies from a hundred and fifty to two hundred and fifty lat a month. But there is a tendency to hide the true situation. The old ruble is a popular medium of exchange, and by habit prices are reckoned in rubles instead of lats. Since fifty rubles are the same as one lat, an Esthonian can say: 'After all, I earn eight thousand, ten thousand, twelve thousand rubles a month,' and thus play hide-and-seek with himself.

And what private individuals do on a small scale the business men, the big enterprises, do on a large one. Everywhere the capital investments have shrunk, but they are expressed in rubles, so as to sound more impressive.

Having been stabilized, the domestic currency can now be used for savings — a great gain. It also has apparently sufficient backing, even for exceptional circumstances. But the supply is limited. Everywhere there is a demand for capital. To a certain extent it is available, but very cautiously. There is no lack of confidence in the economic conditions, but how about political security?

After all, the principal difference between the past and the present is the change in political authority. From the Russian collapse the small nations, the Esthonians, the Letts, the Lithuanians, have gained an independent existence, thanks partly to the fact that they had stronger companions in misery, Poles, Finns, and others, and partly to the aid of the Western Powers in blocking new attempts at annexation by Russia.

But an uncertain fate hangs over these small States. The difference in latent power is too apparent. Moreover, the Russian desire to recover ice-free and promising harbors still remains. Without the Baltic States Russia is hardly a part of Europe. It has been shut out: everywhere it is the outcast, the inferior, the defeated — a position that a really strong Power can hardly accept with patience for long. Therefore the new Baltic States have something provisional about them.

If we look back on the history of these regions we see that their political existence has always been 'provisional.' Yet for the individual, even for the generations of individuals, these temporary arrangements suffice for sowing and reaping, for becoming rich or poor, for making careers, for creating art — in brief, for the fulfillment of personal fate. Everywhere in the Baltic States the main effort is now directed toward getting a roof overhead for the time being and for some time to come. What, after all, is permanent in this world? Now is the time to set the hand to the plough.

Russia itself, through its Soviet form of government, has contributed most toward arousing sympathies for the Border States and good wishes for their continuance. Russia has showed itself unexpectedly slow in again taking part in the world's trade. Its methods of making itself count have added disappointment to disappointment. Under such circumstances Europe has directed its sympathies and capital toward these Border States. This has been especially true of German, — particularly Eastern German, — English, Scandinavian, Belgium, Dutch, Czech, and American investors, who have thus aided the Baltic States to get wind in their sails.

Even now, when the Russian trade is recovering, they are not losing. They

have done everything toward directing the transit traffic through their territories, aided by their geographical situation and the technical advantages of their harbors over that of Petrograd, which has yet to be reconstructed. And Russian importers have shown themselves more tractable in the Border States than elsewhere.

Furthermore, with the reconstruction of these countries, their own trade is increasing. Many prophets gave them only a couple of years to live and now they have existed an entire three-year period. Cautiously, but increasingly, the outside world is beginning to invest money in them, thereby playing the rôle of a partner who is anxious to preserve and develop his property. Whoever owns a mortgage on a house cannot wish it to burn down, and moreover he wants to insure it against danger.

Still keener is the interest of the inhabitants themselves. Whatever may divide these young nations, — the agrarian revolution, with its consequences for the racial minorities, stands in the foreground, — they are united in their determination to uphold the power of the State, at least in Esthonia and Latvia. Even the sons of the ruined German owners of the big estates in Esthonia and Latvia, whom the revolution already mentioned drove without compensation from their properties, have now, together with their co-racials, decided in favor of the Border States. Just as they fought in 1919 against the Bolsheviki, so they would again join 'Baltic' regiments. Compared with the Russian revolution, their own was a minor evil. The German Balts are a persistent race who for centuries have grown attached to this soil. No one now believes in counter-revolutions, either against Russia or any other State. The time for adventures of this sort is over. Even the

Russian émigrés are giving up the 'revanche' idea and becoming quiet citizens. They have become familiar with the notion that a provisional existence for a State may mean the entire lifetime of an individual.

'Border States' — an accurately descriptive name. Intended to have reference to geographic position, it can

also apply to time. These provinces have always been transit-lands and bridgeheads. Such they are now, not only between two aggregations of countries, two groups of nations, two civilizations, two political worlds, but also between two ages. The problems of the future are unmistakable — their solution more than ever a riddle.

## HOME RULE AND HOMESPUN

BY C. F. ANDREWS

*[Since this was written Mohandas Gandhi, the native champion of home rule in India, has been set free from prison by the new British Labor Government. Concerning the writer of this article the editor of the Manchester Guardian says: 'Mr. Andrews has been for many years an intimate friend and coworker of Rabindranath Tagore, as he was also of the late Mr. W. W. Pearson. He is perhaps the foremost living authority among white men on Indian native opinion.']*

From the *Manchester Guardian*, January 31  
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THE elections which have just been concluded in India can give to the English onlooker but a poor representation of the actual feeling in the country. The Swaraj party — who may be called the Nationalists of the Left — had only received permission from the National Congress to take part in the elections within a few weeks of the polls. That permission was very reluctantly given; and a large proportion of the Non-Cooperators, who wished strictly to follow their leader, Mahatma Gandhi, stood out of the election altogether.

This meant that the Swaraj party by no means represented the full strength of the Non-Coöperative movement. There can be little doubt that if the whole energies of the Non-Coöperators had been devoted to winning the elections they would have swept the polls.

With an experience of twenty years of Indian life, during which I have been more closely associated in India with the National movement and its leaders than any living European, Mrs. Besant alone excepted, the impression left on my mind by the election results is one of great surprise at the number of seats everywhere obtained by the Swaraj party.

Notice has been given by Pandit Madan Mohan Malaviya that he will move immediately a resolution demanding the release from prison of Mahatma Gandhi. I doubt if there will be a single Moderate whose seat depends on a popular vote hardened enough to vote against such a motion. If he does, he knows for certain that his seat will be lost at the next election. The only supporters whom the Government of