

War as an independent nation, it gave much of the credit for its existence to Wilson and Hoover. The formal congratulations to the United States of America on this anniversary had been signed by 5,000,000 school children and university students, whose signatures were contained in handsome books piled in front of the platform. These books were recently presented to President Coolidge by Mr. Kotnowski, the Chairman of the Fourth of July celebration.

The ceremonies were held in the largest room in the City Hall and were attended by Moscicki, the President of Poland, by cabinet ministers, governmental officials, army officers, church dignitaries, and many Americans.

At the conclusion of the meeting we went out on the balconies of the City Hall and reviewed the procession as it passed through the large square, to which the opera house, hung with flags and tapestries, made an impressive background. The crowd cheered its army, as it always does, but it went wild when it caught sight of the orphans from the asylums and homes established by Mr. Hoover. By the way, the Poles think so much of Hoover that they have a Square named for him almost in the center of Warsaw.

All over Poland we found an attitude of great admiration and affection for the United States. In one town the children stood on the sidewalk and waved to us because their mothers had heard there were to be some Americans in town that day. The welcome we received everywhere indicated an eagerness for help and the faith that Americans can give them the help they need.

#### Interviews

The first phase of my work, as I have said, was to get a general view of the two monopolies of salt and tobacco. Much had been written about the history of these industries and their policies and there were many reports on their operation. All of these were translated and studied.

I then talked with the Ministers of Finance and of Industry, the various administrative and technical directors of the monopolies, other Government employees and outsiders who had business dealings with the monopolies.

These interviews were so varied that it was not possible to develop a rigid technic, for it was necessary to get these men to talk freely and without

reservation. I made no attempt to inquire into the detail of the methods used in carrying on their business. The one thing aimed at in all of these interviews was to discover the obstacles which prevented these men from accomplishing the results at which they aimed. This of course entailed inquiries as to the aims of these men, and in some cases as to the solutions which they had to offer for their difficulties.

Some of these people spoke English, but the majority did not, so the interviews had to be carried on through an interpreter. This required more time, but presented no real difficulties. An interview through an interpreter is as a rule fairly concise, for while a paragraph is being translated, one has an opportunity to think over what he will say next. It is also true that fewer irrelevant subjects are introduced in a translated interview. Of course a great deal depends on the interpreter and I was fortunate in having Mr. Adam Costomski, who has been in the States four years studying our industries and is with us tonight.

#### Visits to Mines and Factories

The next step was to visit the mines and evaporating plants of the salt monopoly and the cigarette and cigar factories and warehouses of the tobacco monopoly. In these tours of inspection I visited:

Three salt mines, one of which is 900 years old, but has enough salt unmined to last 1000 years more. Another mine is comparatively new, but it has resources even greater.

Six brine evaporating plants, almost all of them located in the foothills of the Carpathian Mountains.

In connection with the tobacco monopoly I visited:

Ten factories producing cigarettes, cigars, cut tobacco, chewing tobacco and snuff.

Four storehouses for raw tobacco and finished products.

Three retail stores, and several growers of native tobacco.

The technic of investigation was to make an unhurried trip through the mine or plant, as far as possible following the route of the material and then to sit down in the manager's office and secure further information. Records were made of stocks of raw material and finished goods on hand, of

manufacturing and handling operations, with the number and kind of producing units and the actual production per hour or per day, of wages and working conditions and of methods of control. I secured a statement from the management as to the plant's capacity and the reasons why that capacity was not being used. In cases where it was used I inquired as to the plans for extension and the obstacles which confronted them. This information gave me a basis for comparison of the different plants with one another, as well as with American plants.

In every case I found the managers frank and eager to lay before me all the facts whether they were favorable or not.

#### Reports

The last part of my task was the writing of two reports embodying recommendations for the reorganization of these two monopolies. These reports could not be limited to any one phase of a monopoly, but had to deal with the industry as a whole and it was therefore necessary to think the matter through from beginning to end before the actual writing could be begun.

The labor conditions were fairly satisfactory: the eight hour day was universal and there were generous provisions for health and disability insurance and for pensions. There was almost no labor turnover and working conditions were good and the relations between employers and employees were apparently cordial. Wages were low, compared with our standards, but slightly higher than in other industries in Poland. The monopolies had to be made more prosperous before higher wages could be expected and it was therefore obvious that these reports should point the way to the elimination of waste and the proper coordination of the different phases of the industries.

In these reports no attempt was made to present arguments for or against the various possible courses of action. Each section began with a brief statement of the unsatisfactory features of the present situation or method in order to establish a need for a change. This was followed by a definite recommendation expressed in as few words as possible: "Do thus and so," and without any qualifying clause. Each recommendation was numbered: in the salt report there were thirty-six and in the tobacco report thirty-three recommenda-

tions. This technic was followed so that even in translated form there could be no possible doubt as to what action should be taken in the reorganization of these monopolies.

#### The Salt Report

The first two pages of the salt report dealt with the present status. In the former Austrian part of Poland the production of salt had been a state monopoly, but this was not the case in the Russian and German parts, where there was one privately owned mine with better natural advantages than obtained in any other mine in Poland. When the Republic of Poland came into existence, the Austrian mines became Government property, but the private mine did not. The sale of salt was in 1924 declared to be a State Monopoly, but the privately owned mine retained the right to produce salt and to export a part of it. The industry was therefore not a complete monopoly.

Unfortunately I am not at liberty to read you the actual recommendations, for the report has not yet been released for publication by the Polish Government. However, I can say that Chapter 2 dealt with "Excess Capacity of Salines." The salt deposits of Poland had been so rich that the Austrian Government had developed the industry far beyond the needs of present day Poland and, therefore, one of the points to be decided was whether the present production capacity of Polish salines should be reduced to equal the normal domestic requirements or maintained at its present level and the excess salt dumped on foreign markets.

Chapter 2 contained five definite and numbered recommendations as to what should be done about this excess capacity.

Chapter 3 dealt with "Improvements in Producing Salines" and took up the mines and brine works one at a time. One section was devoted to Wieliczka, the mine which has been in operation for 900 years. Sub-headings under the mining of rock salt were:

Physical Layout of the Mine  
Kipps of Salt to be Mined  
Drilling Methods  
Transportation of Rock Salt  
Milling Rock Salt  
Storage and Loading