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STEPHEN SZÉCHENYI REDIVIVUS (ON THE HUNDREDANDFIFTIETH ANNIVERSARY OF HIS BIRTH)

BY

ANDREW BAJCSY-ZSILINSZKY

n September 21st. we shall be celebrating the hundredand-fiftieth anniversary of the birth of Count Stephen Szechenyi, whom his great antagonist, Louis Kossuth, in the heat of passionate intellectual combats, called "the greatest Magyar". This designation is characteristic above all of Stephen Szechenyi, for he was so comprehensively and so profoundly Magyar in the fire and so characteristically Magyar in the brilliance of his genius - so pre-eminent a personality and hero of our Magyar history of a thousand years -, that the name thus given him can never be dimmed or overshadowed by anything in the long vista of the ten centuries of Hungarian history. Even today no one - not even the most reserved or severest critics of our intellectual life - feels or is entitled to feel that there is any exaggeration in it. But the designation is characteristic also of the man who invented it - of Louis Kossuth -, showing that even Stephen Szechenyi's bitter and often unjust attacks failed to silence in Kossuth the voice of appreciation and admiration or to colour the correctness of his judgment when speaking of his most ruthless antagonist. Finally, this designation and the true Magyar spirit of patriotism reflected in it — the spirit capable of reciprocal esteem — is characteristic of that great age of construction which perhaps stimulated the Hungarian genius to higher flights than in any other period during the ten centuries of Hungarian history. We Hungarians of today - a generation of dwarfs - are quite unable to understand to the full either the unbending and glowing intellectual duel fought by Szechenyi and Kossuth in the fifties of last century or that ineradicable ancient Magyar spirit of chivalry which was reflected in Louis Kossuth's gesture of profound esteem and homage towards his passionate, great antagonist.

It was a wonderfully Magyar age — this period which produced simultaneously six veritable demiurges, — three in the world of politics (Stephen Szechenyi, Louis Kossuth and Francis Deak), and three in the field of literature (Michael Vörösmarty, Alexander Petöfi and John Arany). With all their divergences and antagonisms there was a touching harmony — as seen with the eyes of today — between the six giants reflected ultimately in their historical activity and in their works.

Stephen Szechenyi the new century and the decades that have followed have endeavoured unconsciously and involuntarily to temper down. He was a fervent revolutionary the classical and noblest sense of the term. But the periods following the age of his activity have proved more and more incapable of carrying the mighty heritage of this intellectual revolutionary programme and its eternally insistent demands for explanations. The natural egotism of every age and of all ages is continually remoulding the really great men of history after its or their own image. These great men are made into planets dovetailed into the true or false solar system of each several age; and usually the fact is lost sight of that the really great men are — fixed stars. They are immovable in their own spheres in the wonderful stellar system of the intellectual world, and their light is permanent: only perhaps the eyes observing them from below change and deteriorate and at times see what seems to them to be a dimming of the brilliance of true genius.

Stephen Szechenyi was an exceptional personality, not only in his own age, but also when placed within the general framework of his own Magyar nation. The other two Members of the great political Triad had spiritual forebears to whom they show an unmistakable resemblance. Kossuth's spiritual forebears were Francis Rákoczi and the great champions of Transylvanian liberty — Bocskai and Bethlen. Francis Deák's genius dovetails into the century-old (and what may be spoken of as the strict) system of Hungarian political and legal culture. Stephen Szechenyi's intellect was not subjected to the influence of the same systematic legal

and political education and subtilisation as Louis Kossutk and Francis Deak. His inner revolutionary inclinations alses, worked against his becoming the apex of a development or being able to dovetail spiritually into the Hungarian traditions. His work was to raise the soul of the best sons of the nation in rebellion against the excessively political and legal one-sidednesses of Hungarian intellectual life, to teach the political spirit of the Hungarians, which had become stereotyped and cast into legal moulds, to recognise facts, to awaken his nation to a consciousness of the need for radical reforms, and to point to the living power of the great popular forces as against the one-sidedly privilegedclass political, legal and military views and to the enormous, decisive importance of economic progress. He was born to move the forces of action, not so much against traditions, perhaps, but rather against the excesses and the stiffening and impeding restrictions of those traditions. And he started a particularly fierce struggle against national illusions, against the legal fictions, the weapons of which he distrusted manifold obsoletisms of the world of privileged classes. As against the legal fictions the weapons of which he distrusted as means of fighting Austria, he appealed to the unexploited primitive force of the Hungarian people. What we had been unable to achieve with political and constitutional weapons in the struggle against Austria, he desired to achieve with the aid of the living energy of the Magyar peasantry and bourgeoisie then advancing both culturally and economically. He was often guilty of injustice to the past; he often betrayed an unwarranted disparagement of the great political efforts of the nation in the past and undoubtedly misjudged the importance of the historical Constitution of Hungary, the meaning of Kossuth's career and even the War of Independance of 1848-49 itself. But this does not ultimately detract either from the colourful splendour of his personality or from the permanence of his creations, or even from the profundity and undying character of many of his perceptions. His genius was undoubtedly an unpolished diamond; it was also irregular: but its fire was nevertheless unprecedented and in its manysided brilliance it is without a parallel in Hungarian history. And while engaged in

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discussing the driest economic subjects, he proposed the arrangement of horse-races, founded a Casino, built a bridge, regulated the Tisza and introduced river navigation, offered encouragement for the establishment of economic undertakings and explained the importance of credit; he kept continually rising to intellectual heights never since - and perhaps never before - reached by any Hungarian genius. His political satires are without a parallel in world literature. His masterpiece - the "Blick" -, written when he was already in the Döbling asylum, is an attack on the silly anti-Magyar policy of retaliation of the Bach period and of Vienna which ensued after the overthrow of the struggle for independence; and his Journals published posthumously are still some of the most stirring political and human documents in world literature. They are the lion's groans of pain of a fervent Magyar soul against the fate of the Magyars, and ultimately did "indirect" justice to Louis Kossuth and the Hungarian War of Independence too without such having been the intention of their author. It was indeed in the Dobling asylum and only after the disaster which overtook his fatherland on the field of Vilagos that Stephen Szechenyi returned really to follow the footsteps of his ancestors; it was as an invalid sunk into despair at the fate of his country and with a brain fighting against insanity that Szechenyi took his place as the author of these terrible writings in the ranks of the great champions of Hungarian liberty. His "Blick" was read with feelings of horror and self-accusation, in the decades following the overthrow of the Hungarian struggle for independence, by the political circles of London and Paris, which had failed to find means of assisting the Hungary that fought for a whole year against two Great Powers and of furthering and preserving Hungarian independence - for the sake and for the benefit of Europe generally. We might add that Szechenyi was the first and mightiest of Hungarian revisionists, the Szechenyi who in that dark and hopeless period of his nation's history, when even Deak kept silence, cried out in agony from his confinement in the Döbling asylum and uttered the saying which is today also a slogan - "Justice for Hungary!"

STEPHEN SZECHENYI REDIVIVUS

Even in its bitter lot and amid the grave ordeals through which it is passing today, the Hungarian nation will certainly feel elation in celebrating the hundred-and-fiftieth anniversary of the birth of "the greatest Magyar". This jubilee is almost as symbolical in our eyes as was the ninehundredth anniversary of the death of St. Stephen celebrated three years ago; for Szechenyi too is the embodiment of the eternal Magyar spirit, - having indeed set a stirring example of the working of that spirit. The synthesis and natural harmony of East and West is found shining in his stately figure and on his arched, gloomy brow. And the great problems of the nation's existence are today what they were of old. And of these problems that which is today also the most burning one is that which fired Szechenyi too most of all, - how to preserve for mankind all the beauty and colour and originality, all the profound and genuine humanity and nobility, all the deeply-rooted political discernment, all the organising force, all the love of liberty and heroic steadfastness which Europe and the world knows to be the Magyar people's contribution to history.

THE RUMANIANS AND ROMAN CATHOLICISM

BY

ZSOMBOR DE SZASZ¹

In 1790 the independent Transylvanian Principality came to an end, a fact which set a term also to the conversion of the Rumanians to the Protestant faith. The Hungarian Princes were replaced by the Austrian Habsburgs, the independent Principality gave place to a Großfürstentum, or Grand Duchy, and the efforts to spread the doctrines of Calvinism were superseded by Roman Catholic proselytism. The former represented a purely religious and cultural movement, while the Roman Catholic campaign had a strongly political flavour. The Orthodox Church and the Rumanians beyond the Transylvanian border fiercely opposed both the Protestant and the Catholic movements, and were so far successful as a very few years sufficed to obliterate every vestige of Protestantism from the life of the Transylvanian Rumanians; Greek Catholicism, on the other hand, survived in an altered and superficial form and has remained an important factor to this day.

The change of domination brought a great change in the political and religious life of Transylvania. The independent Principality had been Hungarian and Protestant; Habsburg rule was German and Roman Catholic. The entire political stratum of the country had to be altered to suit the new rule and to render it effective. A pro-Austrian bias had to be superimposed on the strongly independent spirit of the Magyars, while submission to the Pope had to replace Protestant radicalism.

It was by no means an easy matter to bring this about. The Roman Catholic Magyars could be gained by a Catholic and the Lutheran Saxons by a German Power; but the Calvinist Magyars were obdurate, and they were in a

¹ See previous article entitled: "The Rumanians and Protestantism" in ous September issue, Vol. IX, No. 4.

majority. Therefore the first endeavour of the new rulers had to be to reduce this hostile majority.

The ordinary methods of the counter-reformation did not promise an adequate result, for they could not be pursued with sufficient vigour. In the Diploma in which the Emperor had promised to uphold the Constitution he had pledged himself "to make no alteration in the matter of the accepted religions". But there was another means to raise the number of the pro-Habsburg and anti-Protestant inhabitants: the conversion of the Rumanians to Roman Catholicism. In the constitutional fabric of the country they represented the neutral element; they did not belong to the "union" of the three nations, and their Orthodox creed was not an accepted religion: the pledge of the Diploma did not refer to them, consequently they offered a fair field for proselytism.

The last Transylvanian Prince, Michael Apaty, was still alive when the infiltration of the Jesuits into the country began. One of them, P. L. Baranyi, arrived under a disguise, but revealed himself as a priest later on and became a friend of the Orthodox Bishop Theophilus in Gyulafehervar. It was he who, with the help of other Jesuits, undertook the conversion of the Transylvanian Rumanians to Roman Catholicism, as a parallel action to the re-Catholicization of the Magyars. The Jesuits even asked the Pope's permission to turn Orthodox themselves, in order to obtain more easily the confidence of the Rumanian people, but this the Pope refused.

In 1692 the Emperor Leopold issued, on the instigation of the Jesuits, a general ordinance promising substantial privileges to those Orthodox priests, Ruthenians and Rumanians alike, who consented to join the Roman Catholic Church. They were to be allowed to retain the Orthodox rites, they were to be liberated from servitude together with their families, and they were to have the same political and social position as the Roman Catholic priests.

Upon strong pressure on the part of the Jesuits, the Rumanian Bishop Theophilus convoked in 1697 a Synod to Gyulafehervar at which Baranyi was also present. At this Synod the Bishop made a powerful speech accusing the Protestants of meddling with the liturgy of the Rumanian

Church and extolling the union with Rome, which would make them equal with the Roman Catholics.

The Synod stipulated first of all that in case the union was accepted no change was to be made in the liturgy and in the administration of the Church, that the Julian calendar should be retained and that the Uniate creed should henceforth be counted not among the tolerated but among the accepted creeds. After which it subscribed to the following points of dogma:

- 1. The Pope is the head of the universal Church;
- 2. the Holy Eucharist is administered in the form of unleavened bread alone;
 - 3. Purgatory exists; and
- 4. the Holy Ghost emanates both from the Father and the Son (filioque).

A further stipulation was that Uniate ecclesiastics should enjoy the same rights and privileges as the Roman Catholics; and that it should be the Bishop who appointed the priests.

These stipulations being accepted, the union was decided, and the Act of Union signed by the Bishop and twelve deans.

The decision made a great stir both among the Magyars and Saxons of Transylvania and among the Rumanians of the Principalities, but by this time Transylvania was governed from Vienna and the Estates were helpless in the matter.

That same year Bishop Theophilus died, if rumour spoke truth, of poison; and the appointment of a successor proved no easy matter. Eventually one of two candidates, both of whom had received a Protestant education, was elected in the person of Anghel Popa, son of the Rumanian village priest of Babolna. He took the name of Athanasius, and after spending two months in a monastery in Bucharest and undergoing a searching examination in regard to his Orthodox beliefs by the Patriarch of Jerusalem, was consecrated as Orthodox Bishop of Transylvania.

The suspicious Patriarch was not satisfied by Athanasius' episcopal oath; he forced upon him a long list of instructions designed to regulate his future conduct, in which he was ordered, among other things, to employ either Slovene or Greek as the language of the liturgy, using Rumanian only for Sunday and holyday sermons.

When Athanasius returned to Transylvania he found there a royal Diploma addressed to the Gubernium, — the governing body of the country, — in which it was decreed that Orthodox priests who joined the Roman Catholic Church and recognised the Pope as Christ's Vicar should enjoy the same privileges as the Roman Catholic priests, and those who united with any of the other accepted Churches should partake of the liberties of those Churches, while those who clung to the Orthodox creed should continue to bear the burdens and disabilities hitherto imposed upon their Church.

But it was only on paper that the choice was thus left open. Cardinal Kollonits, *Primate* of *Hungary*, in a secret missive to General Rabutin, military commander of Transylvania, declared that the Orthodox priests must be made to join the *Roman Catholic Church* on pain of punishment. And *Kollonits*'s order prevailed.

Athanasius had been consecrated in Bucharest, but he could not officiate in *Transylvania* until his election had been confirmed by the King, which in this case meant that he must identify himself with the unionist movement. This, accordingly, he did.

He summoned a Synod which met on October 7, 1698 and after a prolonged debate lasting eighteen days issued a declaration signed by the bishop and thirty-eight of his deans.

"We the undersigned", this declaration ran, "of our own iree will and inspired by the Holy Ghost alone, join the Roman Catholic Church and declare ourselves members of said Church, accepting, believing and confessing all the tenets which that Church accepts, believes and confesses... Consequently we demand that we be granted the possession and use of all the rights and privileges which appertain to the priests of that Church in accordance with the Holy Canons and the injunctions of the ancient Kings of Hungary."

A few months later, in February 1699, the king issued a Diploma confirming the union of the Orthodox Rumanians with the Roman Catholic Church and threatening with condign punishment all who dared openly or secretly to work against the new Church and her members.

This Royal Decree was made public at the General

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Synod of May 24, 1699, when humble thanks were returned for the royal favour.

The Magyar and Saxon Estates were staggered.

The Protestant Magyars saw their efforts to gain the Orthodox Rumanians for their Church brought to nought; but the Roman Catholics also began to realise that the union was aimed, not only against the Protestants, but also against the Magyars in general and against the constitutional structure of the country.

The Gubernium protested in a remarkable rescript addressed to the Viennese Government.

"The union", it ran "signifies no benefit whether to the Rumanians who have been forced into or to the Roman Catholic Church, seeing that these people have no religion at all but are barbarians full of superstitions and disposed to every sort of malice. Its only result will be to destroy the Transylvanian Laws and to throw the burdens of the liberated priests on to the shoulders of the other tax-payers, at the same time provoking the resentment of the neighbouring hospodars, who are Orthodox. The Rumanians have not become genuine Catholics through the union, they have not really joined the Catholic Church; they are neither friends of, nor believers in, Catholicism, they only wish to be freed from the obligations of the peasants and are now ready to fight their landlords. Such innovations and experiments can be useful neither to the Throne nor to be country at large, where religious fervour has always been tempered and conditioned by the higher interests of the State and by the mutual understanding of the various nations and denominations. It is only thanks to this moderation that this country, surrounded as it is by so many enemies and holding so many religions, languages and races, has been able to preserve its existence and independence in the stormy times through which it has passed."

The Viennese Government refused to be moved by the arguments of the Gubernium. In August 1699 it once more confirmed the union and the privileges granted in the February Diploma, ordering their publication and execution.

A Diet was convened for the 8th of September. The Estates could not evade the publication of the Diploma, but

they embodied their objections to the union under seven points and ordered an investigation of the whole matter, which however led nowhere.

The King sent an angry mesage to the Estates, in which he reiterated his pseudo-liberal allegations. "Only those who wish to disturb the public peace", said the message, "dare to affirm that the purpose of the Diploma was to force the Rumanians into the Roman Catholic Church, for our intention was to grant them full freedom to join any of the accepted religions or to remain Orthodox." On pain of his anger he ordained that no one should dare to tamper with the liberty of the Rumanian people.

In March 1701 Leopold issued a second "Diploma Leopoldianum" which regulated the administration of the new Church.

In 1717 an independent bishopric was founded in Fogaras, which in 1738 was transferred to Balazsfalva and elevated to an archbishopric. 1748 saw the founding of the bishopric of Nagyvarad, and 1750 that of the bishoprics of Lugos and Szamosujvar. After the political re-union of Transylvania with Hungary proper, the Hungarian legislation recognised and incorporated the above organisation of the Uniate Church in Act XXXIX. 1868.

Since that time the Uniate Church has flourished unimpeded.

The Rumanians regard the union and its significance in a different light.

The Orthodox maintain that Roman Catholic dogma has had no influence on their kind. They look on Greek Catholicism as a temporary result of Habsburg policy, bound to vanish as time goes on. There is much truth in the argument that there is no trace of Catholic feeling among the great masses, who know nothing of dogmas and have remained Oriental and Orthodox throughout. "No truthful person can deny", wrote Professor Lupaş in 1921, "that there is only one Church among the Transylvanian Rumanians, for they all believe and profess the same creed. Not one of the famous four points of 1700 has penetrated into the Rumanian soul: neither filioque, nor the Host, nor Purgatory,

nor the Holy See. At most, we may concede a difference in the constitution and administration of the Church."

Another reproach levelled against the union from Orthodox quarters is that it has broken up the unity of the Rumanian people. Formerly the Rumanians were indissolubly united in Orthodoxy, which embraced not only the Rumanians of Transylvania but also those of the two Principalities. This unity was destroyed by the Catholic conversion, for while the Orthodox Church remained attached to the Orient and the spirit of Byzantium, the Greek Catholic or Uniate Church passed under the influence of western thought and western civilisation. This is what the Orthodox resent.

The Uniates, on the other hand, regard the fact that Catholicism has brought the Rumanian people under western influences as the greatest and most valuable achievement of the union.

A modern Rumanian author, the Uniate Canon Augustine Bunea, has made this clear.

Never, — he writes — have the Rumanian people been in such danger as at the end of the seventeenth century and the beginning of the eighteenth. In the Danubian Principalities the Greek Phanariot Princes dominated: the Rumanians of the Banat were oppressed by the Serb, those of Marmaros by the Ruthenian hierarchy. The Rumanians of Transylvania were beginning to feel the yoke of the Protestant Magyars. At that moment Rome stretched out her protecting hand and rescued them through the medium of the Habsburgs. The Habsburgs could place no reliance on the Protestant Magyars as they could on the Catholic Rumanians. To make of them a strong bastion for Habsburg rule there was only one course open to them: to free them from the Protestant Hungarian domination and bring them into the Roman Catholic fold. The Viennese Court realised that by raising the Rumanians out of their miserable situation it would fortify its rule in the country; while the Rumanians perceived that by placing themselves under the laws which secured the existence of the Catholics they would be under the protecting wings of the Habsburgs and thus would escape destruction.

So far Augustine Bunea.

More important than these political and social results

of the union were its cultural consequences; in this respect it conferred immense benefits on the Rumanian people.

"The Uniate Rumanians", wrote the Orthodox Father Ghibanescu, "studied in Rome and became the apostles of Latinity. From Rome they received a mighty incentive to break the chains of the past. Having gained enlightenment in Rome and Vienna, they brought back with them a new spirit of cultural life to Rumania." The resemblance of the Rumanian and Latin languages was detected, which led to the invention concerning the Roman origin of the Rumanian people. G. Sinkai and P. Maior, the founders of the theory of the so-called Daco-Roman continuity, were both of them students at the Uniate schools of Balazsfalva and of the propaganda fidei in Rome. Gradually the Rumanian language was introduced in place of the Slavonic tongue in the Uniate church service; and with the advance of the nineteenth century the political consciousness of the Rumanian people took an immense stride forward. As King Carol, the exiled ruler of Rumania, once said: "Neither our friends nor our foes foresaw the valuable services which the founders of the Uniate Church were to render to the cause of Rumanism."

This is the historic significance of Catholicism in the history of the Rumanian people.

HUNGARIAN TRANSYLVANIA AT WORK

BY

LADISLAS SZENCZEI

Now that the summer months are over, the work of construction has been vigorously resumed in the reincorporated districts of Transylvania. The co-operative movement, the free development of which was impeded by the foreign rulers of the province for two decades by every available means, has since a year shown an unparalleled upswing. Practically no day passes without some new scheme for the formation of a co-operative society being reported to the Central Office of the Co-operative Alliance at Kolozsvár.

The first thing to be recorded in this connection is that the Co-operative Starch Factory at Csikszentsimon established with the object of manufacturing and marketing the surplus supplies of potatoes of Szeklerland - will be able to begin operations early in October. At Csikfalva a cheese factory with an up-to-date plant has been established and has already begun operations. Near the factory is an establishment for the breeding and fattening of pure-breed pigs where the by-products obtained in the factory are to be employed to feed the animals of pure breed being reared. At Szekelyudvarhely the persons forming a co-operative society have set themselves a magnificent object, - having established a society for the production of agricultural spirit the share capital of which already subscribed and paid up amounts to 30.000 pengo. With substantial financial aid from the Central Office of Co-operative Societies this new formation has purchased the Szekelyudvarhely agricultural spirit distillery for the sum of 170.000 pengo. In this big establishment a part of the surplus supplies of potatoes of the farmers of County Udvarhely will be utilised for the manufacture of spirit. The shareholders of the Co-operative Society are the most prominent smallholders of the county, The by-products obtained at the factory will be employed here too to feed animals. A serious movement has been started also for the purpose of re-organising the Szentkeresztbanya ironworks on a co-operative basis. The Kolozsvár Credit and Agrarian Co-operative Society proposes to establish a liqueur factory and has already taken the steps required for that purpose. At Sepsiszentgyorgy the establishment of a general co-operative society for the marketing of agricultural produce is in progress. The new Society proposes to undertake the procural of seeds for sowing, the marketing of live stock, the collection and sale of clover seeds and in general the marketing of agrarian produce.* Recently there was established also the Co-operative Society of Kolozsvar Fuel Dealers for the Purchase and Sale of Goods in which 27 Kolozsvár dealers in firewood are interested. So far 22.500 pengo have been subscribed towards the share capital.

The Transylvanian Economic Council has thoroughly investigated the schemes relating to the furtherance of the cultivation of the fibrous plants suitable for the improvement of the pasture-lands of the re-incorporated districts of Transylvania and for industrial manufacture. During the dicussions relating to the various suggestions there developed a direct co-operation with the Transylvanian branch of the Ministry of Agriculture, the management of which willingly placed its services at the disposal of the Economic Council. As a result of this co-operation steps have been taken to provide that before the current year is over at least two pastures in each Transylvanian county shall be improved in a model manner. Enormous possibilities are to hand also in connection with the cultivation in Transylvania of fibrous plants. For the purpose of furthering the production compe-

^{*} At Medgyesfalva the "Hangya" Central Co-operative Society of Transylvania has established a large undertaking for the transport of vegetables which will begin operations in the near future.

tent organs are making contracts with large numbers of Transylvanian producers. The Szekelykeresztur "Voluntas" textile establishment in 1941 cultivated flax with most favourable results over an area of 480 yokes. In the event of obtaining a favourable contract this undertaking proposes next year to grow flax already over an area of 800-1000 yokes. A whole network of similar contracts is being employed to encourage surplus production also among the farmers of the counties of Haromszek and Csik. Another fibrous plant of just as great importance is hemp, for the cultivation of which there are very large areas of suitable soil in the counties of Szolnok-Doboka, Beszterce-Naszod and Marostorda. In order to encourage the farmers concerned to increase their production, the Economic Council of Transylvania has got into touch with the Sepsiszentgyörgy Textile Works, which latter undertaking has expressed its readiness by the help of advantageous contracts to further the cultivation of hemp in Transylvania.

There has been a further upswing also in the field of industrialisation. One of the main problems is the electrification of Szeklerland; and the solution of that problem has been very considerably furthered by the establishment of the Gyergyo Electric Works Ltd. The water-power station which it is proposed to construct will ensure the provision of the electric energy required in the Gyergyo Valley and will be the starting-point of the work of industrialising the whole region. The co-operation in the work of organisation of the Transylvanian Industrial Labour Organisation Institute has also been secured. The share capital of the joint-stock company is 1.500.000 pengo; and the credits required for the work of construction will be procured by the abovementioned Labour Organisation Institute. This Institute is in any case working systematically in favour of an up-to-date extension of the sawing and wood-manufacturing establishments kept in operation by the joint tenancies of Szeklerland.

The Department of Industry is within the framework of a novel loan action allotting to the Central Co-operative

Society of Artisans and Craftsmen (the so-called "IOKSz") several million pengo to be granted in the form of credits to small and mediumsized industrial establishments and to industrial co-operative societies of Transylvania. The only condition stipulated by the Department of Industry in respect of the amount of credit grantable is that no one plant may receive loans exceeding 20.000 pengo in amount. The object is evidently to ensure that as large a number as possible of Transylvanian small establishments shall share in the benefits of the action.

In Csik County, with the support of the National Hungarian Tourist Traffic Office, a large-scale scheme of building is being carried out. The plans for the gigantic hotel at Csikszereda were ready already before the end of the summer; and a beginning is to be made shortly with the work of construction. At Hargitafürdő the work of building a model hotel is already in full swing. And several hundred navvies are already at work constructing the road leading from the Tolvajosteto to Hargitafürdő.

Apart from furthering the material upswing of the reincorporated districts of Transylvania, the Government is still devoting particular care to the work of advancing the level of intellectual life and of professional education. On September 12th., for instance, M. Joseph Varga, Minister for Commerce and Industry, and Secretary of State M. Stephen Horthy de Nagybanya, President of the Hungarian State Railways, attended the opening of the Hungarian State Railways' Boys' Boarding School and Orphanage at Szatmarnemeti the task of which is to educate and instruct the children of the railway employees of that part of the country. Before long the work of building the Mining School at Nagybanya will also be completed. The authorities had already during the days of Rumanian rule proposed to erect a large two-storied building that was to have served as county hall. As so often happens in Rumania, the continuation of the work of constructing the half-finished building was abandoned for years, so that it was left to the Hungarian

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authorities to complete the work of building begun so long ago. The gigantic building is now to be employed to accommodate the joint Pécs and Nagybanya school of mining. The Pécs school of mining has already begun the work of removing to Nagybanya.

At the same town, Nagybanya, the authorities have opened a *Popular Education Seminar*, which has been attended by the teachers, notaries and clergymen of the county. The lecturers have explained the objects, material and methods of popular education (university extension), and very great interest has been shown by the persons attending the seminar.

The municipal council of the royal free borough of Debrecen has decided that in commemoration of the return to the mother-country of the re-incorporated districts of Transylvania scholarships of 1500 pengo each shall be granted to three Transylvanian students not possessing independent means who are studying during the school year 1941—42 in the Debrecen Stephen Tisza University of Sciences.

HUNGARIAN WORK IN THE RE-INCORPORATED DISTRICTS OF SOUTHERN HUNGARY

BY GEZA RUBLETZKY

Hungarian Government is building. We have succeeded so to say in absorbing in every respect the reincorporated districts of Southern Hungary which returned to the mother-country barely six months ago. This was particularly easy as regards population in view of the fact that a very large percentage of the inhabitants of Southern Hungary are Magyars and that the Magyars thus returning to their homeland placed at the disposal of the Government all their resources in order to ensure that the work of reincorporation should be effected without a hitch in economic, social and cultural respects too.

Last month the Hungarian Government continued the extensive constructive work begun in the months immediately following the re-incorporation. Provision had to be made primarily for the improvement of the situation of the working classes — for opportunities of work and a human standard of life. During the month under review the Government adjusted the question of wages, raising the standard of wages allotted to workers in Southern Hungary to the level obtaining among the workers of the mother-country. The advance of prices incidental to the state of war naturally resulted in an advance in the cost of living; for that reason our Government took steps, not only in the mother-country, but also in the re-incorporated districts of Southern Hungary, to provide that the working classes should feel as little as possible of the effects of the rise of prices. For that reason the Government raised the wages of the workers and the emoluments of civil servants 15% - that being done by the issue of an Order in Council. In addition to raising the level of wages, the Government also provides for employment for workers; and in the month under review alone - in a single town, viz. Ujvidek - the Hungarian National Labour Exchange secured work for no fewer than 2800 unemployed. The Government has taken various measures and introduced various schemes for the assistance of artisans and craftsmen. The relief loan system of the National Fund for the Encouragement of Artisans (to enable such to set up for themselves) has been extended also to Southern Hungary. Young artisans and craftsmen are allotted considerable loans to enable them to found independent existences. Government provides also for the supply of raw materials both to young artisans and craftsmen and to such as already possess independent establishments of their own. This will enable the Government to advance the industry of a region hitherto of a purely agrarian character and to create an industrial activity in branches not previously represented there.

Apart from the adjustment of the labour questions Government is engaged in a large-scale work of construction in Southern Hungary in other fields too. The neglected winter harbour at Ujvidek is being repaired, that raising Ujvidek to the position of the second largest winter harbour in the country after Budapest. These works have already been begun and are progressing rapidly towards completion. At Szabadka a few days ago the work of constructing the neglected water supply network and drainage system was begun. During the last 20 years Szabadka was in a state of such terrible neglect in this respect that as concerns its water supply system and its drainage it was on a level below even that of the most Balkan towns. Furthermore, the roads and streets of Southern Hungary - and in particular of the towns of that region — were in so deplorable a state that it would be difficult to find worse conditions in this respect even in the most neglected towns of the Far East. Our Government has begun the work of road-building on an intensive scale and has so far succeeded already in at least making the roads passable.

As for the agrarian production, the Government has commissioned the Chamber of Agriculture of the Region

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between the Danube and the Tisza to represent the agrarian interests of the re-incorporated districts of Southern Hungary. It will be the duty of this Chamber to enhance agrarian production and to increase the intensiveness of animal-breeding to an extent enabling the "Bacska" region to be once more the granary, not only of Hungary, but also of the whole Danube Basin. The Chamber of Agriculture is preparing to distribute animals among the farmers, whose live stock has deteriorated as a consequence of the war.

In the field of popular hygiene great importance attaches to the extension of the Green Cross Movement. The Green Cross sisters allotted to the re-incorporated districts of Southern Hungary are unable, owing to their being too few in number, to fulfil the gigantic task imposed upon them; for that reason every possible form of benefit and concession is granted for the purpose of encouraging girls from Southern Hungary to acquire Green Cross certificates qualifying them to act as Green Cross sisters.

In cultural matters life is to begin everywhere during the present month. The secondary schools will open and the activities of the cultural associations, theatres and cultural courses will begin.

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PREMIER BARDOSSY'S REPORT ON THE REGENT'S VISIT TO GERMANY

On 15th September M. Ladislas de Bardossy, Hungarian Premier and Minister of Foreign Affairs, made his report to the Committee of Foreign Affairs of the Hungarian Upper and Lower Houses of Parliament.

M. de Bardossy spoke of the Regent's visit to Germany, which was a fresh proof of the traditional friendship between Hungary and Germany, now more closely cemented by their joint struggle against Bolshevism, and which, from beginning to end, had taken place in the cordial atmosphere of that friendship. He then gave the Committee an account of the conversations that had taken place during that visit, conversations that proved the identical nature of the opinions entertained by the Hungarian and German statesmen on all questions jointly concerning both countries and the present situation. The same perfect agreemet existed between the commands of both armies regarding the measure of Hungary's participation in the war against the Soviet which, allowing for a reasonable exchange of the Hungarian troops engaged, was to remain within the present bounds.

In conclusion the Premier made a statement about the situation in Hungary in general.

"THE GREATEST MAGYAR"

On 21st September the 150th anniversary of the birth of Count Stephen Szechenyi was celebrated in a manner worthy of the memory of the man whom Louis Kossuth described as "the greatest Magyar". Hungarians of all classes, all the towns and villages, did homage to the memory of that exceptionally gifted statesman who, while he strove politically for the liberation of the serfs and for Hungarian national aims, found energy to inaugurate the regulation of the Hungarian rivers, the opening of the Iron Gate on the Danube for navigation, the building of the first bridge at Budapest — the famous Chain Bridge, — who took part in the work of establishing the first Hungarian bank, railway, roller mill and social club, who at an enormous sacrifice founded the Hungarian Academy of Sciences, and contributed towards the improvement of horse-breeding by creating the first Hungarian jockey club.

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The most notable celebrations were held in the Budapest Concert Hall, where the Regent lit the "torch of remembrance", which was then carried all through the country. On this occasion, amongst other things, the Regent said: —

"Let us remember Count Stephen Szechenyi, the truest and greatest Magyar, whose deeds shone and whose memory still shines like a flaming torch. The memory of his spectacular life and inexhaustable creative power and his brilliant ideas have

always been a guiding light for the Hungarian nation."

The memorial speech was delivered by Premier de Bardossy. He said that the real strength of the nation lies in the spirit of its own great sons and the results achieved by them. He pointed out that the heart of the Greatest Magyar, who had ben sent by Providence to hold the mirror of selfknowledge before the nation that it should recognize its own racial qualities, had always been truly Magyar. He had been a man of action, and the will to create had flamed stronger in him than it ever had in any inhabitant of Hungary. His ideas were responsible for the turning of a "dusty, muddy Pest-Buda of winding alleys" into the present beautiful modern city.

"I feel" — continued Premier de Bardossy — "that there is no more fitting way of doing homage to his memory than by repeating over and over again his ideas and teachings. To quote his own words, the task, as he saw it, was to raise the country to a higher level, save it from shocks and disintegration, and while everyone should regard his own belongings as sacred, to make as many of its inhabitants as possible happy!"

The Premier then quoted a number of Szechenyi's maxims that reflected the unparalleled richness of his intellect and heart. The root of all his ideas was the same: an unshakable belief in the force of moral and spiritual things and faith in the future of the Hungarian nation. At the conclusion of his speech M. de Bardossy declared that after Mohi and Mohacs, after Vilagos and Trianon, the Hungarian nation, reinforced and steadfast in spirit, was now again facing the storm, and faithful to its European mission was shedding its blood afresh. "Following in Szechenyi's footsteps along the path he trod, we must dare to be great, but we must also be wise. We must have confidence in ourselves, in our own strength, but we must not be foolhardy."

At the close of the memorial celebrations M. Joseph Vargar Minister of Commerce, delivered a fine speech and laid a

wreath on Count Szechenyi's statue.

SITUATION OF MAGYAR MINORITY IN SLOVAKIA

Count John Esterhazy, President of the Magyar Party in Slovakia, delivered three lectures at the Debrecen Summer University Course, in one of which he said:

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"November 1938 marked the beginning of great changes for the reduced number of Magyars in Slovakia. The next few months were fraught with stirring events. Slovakia became an independent State, and that confronted her Magyar inhabitants with a whole series of new problems.

"When the German Reich had guaranteed her independence, Slovakia began to organize her political life on new foundations. Besides a small number of Jews, Czechs and gypsies, about 100.000 Magyars, 150.000 Germans and 60.000 Ruthenians live in Slovakia alongside of the ruling Slovaks. When Czecho-Slovakia ceased to exist, the German racial group in Slovakia immediately acquired extensive rights, securing a State Secretaryship, an independent educational department and full liberty to organize on a National Socialist basis in the fields of politics, culture and economy.

"For the Magyars there remained the Magyar Party; and within its framework we began the political, cultural and

economic organization of the Magyars left in Slovakia.

"In the new State political life as such has ceased, for the executive power rules on totalitarian lines. The Slovak Party, the People's Party created by Hlinka, is the Government Party. Besides this there are the German and Magyar Parties. All the others that remained over from the Czecho-Slovak era have been dissolved.

"The Slovak State sought to regulate its political life in the first place by means of laws. Slovakia, of course, had no historical Constitution, and was therefore faced with the task of framing one. The new Constitution was passed in July 1939 by the Slovak Parliament, in which of its 63 members I alone represented the Magyar minority. According to that Constitution the Slovak State is a Christian and national community, the vocation of which is to reconcile social differences and all the conflicting interests of the various classes and groups.

"Here I cannot enter into all the details of this fundamental law, but I would draw your attention to the articles dealing with the nationalities, to which the name nationality groups is given.

"Article 59 says that a nationality group participates in the executive power through its political party registered by the Government, if that party represents the political will of the entire nationality group.

"Article 93 runs as follows: 'Ever nationality group living within the territory of Slovakia is entitled to organize politically and culturally under its own leader. Nationality groups and their members may establish and maintain cultural contact with their mother-nation.'

"According to Article 94 nationality groups are entitled to

use their own languages in public life and in the schools, this being provided for in a separate law. And finally Article 95 provides that the rights guaranteed to any nationality group by the Constitution shall be valid only in so far as the Slovak minority living within the territory of the mother-country of the group in question de facto enjoys the same rights. This Article establishes the principle of reciprocity and in practice applies solely to Hungary.

"Another very important law is Act 121 of 1940, which regulates the political rights of the nationalities, the first Article declaring that those political parties through which, in terms of the Constitution, the nationality groups participate in the political life of the State, must be registered by the Minister of the Interior."

"In terms of Article 2 the members of a registered party must belong to the nationality group it represents. Article 8 stipulates that the Government may restrict the activity of nationality parties in such measure as the activity of the party representing the Slovak racial group in the areas belonging to the mother-State of the party in question is restricted.

"These are the fundamental laws governing the political activity of the nationality groups in Slovakia, and it was on these terms that we began to organize our national life. We are restricted chiefly to social and cultural work, and I have no hesitation in declaring that we have done everything that was possible for us to do in those fields. In the first place, wherever that was possible, we formed local branches of the Magyar Party and kept records of every single Magyar and every Magyar family. We regard as Magyar everyone whose opinions, mentality, education — in other words the sum total of his spiritual being — mark him out as a Magyar and who clings to the traditions of our past, undertakes the tasks of the present and works for our future aims.

"The nature of our cultural work is determined by the circumstance that the Magyars remaining in Slovakia, though not large in number, consist chiefly of urban populations, and thus generally speaking have greater cultural needs to satisfy. The political, economic and cultural centre of the Magyars of Slovakia is Pozsony. The headquarters of the Magyar Party are there, as are also the only Magyar secondary schools left in the country."

"The Party devotes particular care to the Magyar schools, in order to provide for the education and training of the Magyar children. For this purpose it has spared no sacrifice to establish colleges in Pozsony for secondary-school and university students, thus ensuring that even the poorest of them from the most distant parts of the country shall receive cheap board and

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lodging, and, under careful supervision, be able to pursue their studies in the Magyar schools.

"I shall now give you a list of the Magyar schools in Slovakia:

"8 State elementary schools with a total of 18 classes,

28 non-State elementary schools with 90 classes,

1 State board-school for boys with 6 classes.

1 auxiliary school with 1 class,

6 non-State infant schools with 6 classes.

"The number of Magyar teachers is 18.

"The number of pupils attending the State and denominational Magyar elementary schools is 4904, that of the pupils attending the board-schools 600.

"The number of pupils in the Magyar secondary school in Pozsony is 446.

"The Magyar teachers' training college in Pozsony has just been closed.

"There are also a two years' commercial school, 4 apprentice schools and one school of domestic science for girls. As stated before, all the Magyar secondary schools are in Pozsony.

"I should also note that the elementary schools in Slovakia are being completely reorganized. According to the relevant law now in force, all elementary schools must be either denominational or parish schools. In future there will be no State elementary schools, but teachers are to be appointed by the Government on the recommendation of the denominations or parishes, and they are to receive their salaries from the State. In terms of the above law, in villages where there are 30 children of schooling-age belonging to any nationality group, that group may demand the establishment for them of a school with teaching in their own mother-tongue. If there are fewer than 30 but not fewer than 15 such children in the village, the nationality group in question may maintain a school for them at its own expense.

"We begin the care of the young at the very earliest age. For this purpose we either maintain ourselves or support creches and infant schools where the children of the poor are looked after while their mothers are at work. Through the parents' alliances we provide many children with food and school-books, and assist them with their school-fees.

"There is much work to be done in Pozsony, where about 3000 Magyar pupils attend the schools. Of that number 1100 are elementary pupils, 600 attend board-schools, 450 secondary schools, 200 commercial schools, 170 are university students, while the rest study at various other institutions. Besides their parents, the Magyar racial community looks after their welfare. To avoid misunderstanding it should be noted that at the

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Pozsony University and Technical College all the lectures are delivered in Slovak. This, however, is no handicap to the Magyar students, for they learn Slovak perfectly in a surprisingly short time. Besides Slovak, most of them speak German too."

"During the summer vacation our labours continue, when they take the form of welfare work and of providing holidays for the young.

"But it is not only with the school-children that the Magyar Party occupies itself; so far as circumstances permit, we provide for the cultural needs of the grown-up youth. Our amateur theatricals have reached such a high level that every season Magyar amateurs arrange a week of performances in the Pozsony theatre. The theatre is always crowded with an audience eager to hear plays in Hungarian and enjoy Hungarian music. This achievement has surprised even Slovak official circles, and the Slovak Minister of Education himself was a member of the audience. That Magyar culture should not be confined to Pozsony alone, we have begun to establish cultural institutes in other towns and villages inhabited by Magyars. The Magyars appreciate the importance of this movement, and have generously contributed towards the establishment of those institutes.

"All that represents Magyar intellectual life, art, literature, etc., turns to the Magyar Party for assistance and does not appeal in vain. In this respect special mention must be made again of Pozsony. In that town Magyar life is particularly brisk. The headquarters of the Party are visited constantly by hundreds. Cultural and social organizations, in particular the 'Toldi Circle', fan the flame of national feeling by means of lectures and performances. The Magyar writers and poets of Slovakia have joined that Circle, and their works are published regularly by it. In Pozsony and Nyitra Hungarian songs are being cultivated with much skill and great success. The exhibitions in Pozsony of the works of Magyar artists always score a moral and financial success. The most important Press organs of the Magyar minority are all published in Pozsony.

"From what has been said you will be able to form a picture of how Magyar families live in Slovakia and of the strength of will required to keep afloat in an alien ocean and preserve our racial traits. For the success of that endeavour we are dependent solely on the help of the Almighty and on our own energy, determination and self-sacrificing labours. From the executive power we do not ask more than what has been promised to us in the laws in force at present. The Magyars of Slovakia have held and will hold their ground. All the members of that community feel that they are dependent on one another, and this sense of coherence makes them capable of achievements that are regarded with admiration. The self-discipline of the

Magyars of Slovakia — a trait not very common to the Magyar

people — is also astonishing.

"In my opinion the Magyars of Slovakia, especially of Pozsony, will be called upon to play an important rôle in the future. That town is a point of contact for three nations, three languages and three types of civilization. There we have the opportunity of acquiring a first-hand knowledge of new national aspirations, the intellectural movements and the ways of thinking of the Slovaks and the Germans with whom we have to live in a community of interests. And vice versa they have the opportunity of getting to know us, our good qualities and our valuable traits. These immediate contacts are of great importance today, for there are always people who, either because of a desire for self-assertation, or because they are prejudiced, try to present the Magyars to foreign countries in an unfavourable light."

SUBCARPATHIA DECLARES ITS ADHERENCE TO THE ST. STEPHEN PRINCIPLE

The new cultural organization of the Ruthenians, the "Ivan Kurtjak Cultural Society", so named in memory of the deceased leader of the struggle for the freedom of Subcarpathia and its union with Hungary, held its constituent asembly at Szerednye on 15th September. It was at Szerednye, which had not been restored to Hungary by the first Vienna Award, that the first demand for re-union with Hungary was definitely formulated. In secret the signatures of those who were for re-union were collected, and many people who signed their names were cast into prison for it.

The constituent assembly was attended by large groups of Ruthenians of all classes from Ungvár, Munkács and the farthest villages of Subcarpathia. At the meeting M. Ernest Melinics, speaking in Ruthenian, outlined the aims of this cultural organization. In his speeches, delivered in Hungarian and Ruthenian, Dr. John Boksay, who was elected president of the society, declared that its aim was to shepherd the Ruthenian people who had been swept away by the various political currents back to the right channel and raise their cultural level. Dr. Boksay also spoke of the statement made by Dr. Benes, President of the former Czecho-Slovak Republic, in his London speech in August to the effect that Subcarpathia would belong to Czecho-Slovakia again.

"Here in Subcarpathia" — said Dr. Boksay — "we Ruthenians cannot let that statement pass without comment, however impossible it is that Benes's prediction should come true. We, the Ruthenians of Subcarpathia, were for seven centuries the loyal partners of the Hungarians in all their good and bad fortune. On behalf of us all I address the following appeal to the

Ruthenians living in America: 'Do not allow strangers who have no mandate from the leaders here at home to settle the affairs of the Ruthenian people, and do not submit to foreign interference.' That would not be of advantage either to the Ruthenians of America or to the people here." He then continued as follows.

of America or to the people here." He then continued as follows. "Speaking on behalt of the Ruthenian people, I loudly proclaim to the whole world that Benes has nothing to do with us, that we will not be bargained over by him. From Szerednyc send the following message to him and his friends: 'Once you were successful in enslaving the Ruthenians, but you will not be able to do so a second time. You have nothing to do with us and we will have nothing to do with you. We desire to live within the framework of the Hungarian State in adherence to the St. Stephen principle and with full liberty to live our own racial life. For this, if necessary, we are prepared to fight'."

The above speech was interrupted several times by the audience, simple Ruthenian peasants, poor woodcutters and more

well-to-do people, with unanimous cries of

"We want to belong to Hungary!"

The next speaker was M. Nicholas Kozma, the Commissioner appointed by the Regent, who delivered an address first in Ruthenian and then in Hungarian. He declared that the Hungarians and the Ruthenians were linked together by numerous ties. Centuries of common history, the same religion and culture and the identity of their economic aims were all factors that helped to band the two nations into one community of interests.

Now a new generation was ready to enter the lists.

"This new generation" — said M. Kozma — "must labour to promote the welfare of the Hungarian nation and the Ruthenian people within the framework of the Hungarian State. The Hungarian Government and the nation have given proof that since its return Subcarpathia has been treated like a favourite child of the mother-country, and never since the Carpathians arose from the depths of the ocean were the Ruthenians so well cared for as now. Of late so much has been done for them in the sphere of economy that it would be difficult to find a precedent."

M. Kozma then went on to say that Subcarpathia was now

in the forefront of European politics.

"An attempt was made" — he said — "to spirit away a whole people, but everyone knows that it was made in vain. Where are the alluring dreams that led so many astray? what has become of the Pan-Russian idea, an idea that today has no roots and no intelligentsia to support it, an idea whose claims to Ruthenia based on literature and art have been disproved? It went, leaving a devastated, improverished country behind. But the game went on in the name of Ukrainism. Where, I ask you, is the Ukraine promised by the propagandists?"

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M. Kozma announced that Subcarpathia was to use the blue and red flag of the Rakoczis. He then described the Hungarian Government's policy for Subcarpathia, emphasizing the point that that area was an organic part of the Carpathian Basin, and that in obedience to natural laws the Ruthenians could expect to find a livelihood and prosper only if they turned their faces towards Hungary.

"The Ruthenians" — he said — "cannot hope to remain Ruthenians unless they live in Hungary, for the two languages, Ruthenian and Hungarian, are so totally different that the latter cannot be a menace to the former. Symbiosis with any Slav race would threaten the 550.000 Ruthenians with the danger of racial

extinction through assimilation."

In conclusion the Commissioner pointed out that the speeches heard at the constituent assembly of the new cultural society had been pregnant with the spirit of the St. Stephen principle. That principle alone would be capable of safeguarding peace, prosperity and amicable symbiosis in Subcarpathia, and it was that principle which would ensure the cohesion, geographically and economically, but also in a spiritual and political sense, of the whole Hungarian nation.

HUNGARIAN LOSSES IN MEN IN FIRST GREAT WAR

The effects of a war are reflected in many different ways. Some countries are aggrandised territorially, while others forfeit considerable areas of territory; the economic balance is upset in some places, or other forms of balance are re-adjusted. But war also demands the sacrifice of human lives; and the loss in men caused by a particular war is often disastrous in its effects. A considerable number of men are killed — though aerial warfare demands the lives also of large masses of civilians, even of women and children, besides crippling and disabling for life masses of other victims; while there is a material decline in the number of births, resulting in a set-back in the natural increase of population which involves a decrease also in the numerical strength of the population.

The question of the set-back in the number of births has been discussed already in many places. Mush less has however been said concerning the loss of life suffered by the peoples taking part in the war of 1914/18 shown by the number of combatants killed in action and the further loss involved by the number of disabled persons who, apart from having dropped out of the ranks of the working section of the population, have usually died more rapidly than others from the wounds or diseases received or contracted respectively at the front.

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This question was first discussed seriously by a German statistician, whose valuable data we believe should be made more public. In his book "Handbuch tür das gesammte Deutschtum" (Manual for the German People) Wilhelm submits figures showing the severity of the relative losses suffered during the first Great War by the several States. He establishes the fact that the proportion of men killed in action to every thousand men of the age of 20—45 was as follows: — in Hungary, 187, in France, 182, in Austria, 166, in the German Empire, 101, in Great Britain, 88, in Australia, 60, in Canada, 33, in New Zealand, 73, in Belgium, 25, in the United States of North America, 3.

The most striking thing about the data given by the German statistician is that even the objective outsider shows that we Hungarians suffered the greatest relative losses in the first Great War. A very large number of men had to be sacrificed in the cause of a war the end of which was even more bitter than the actual fighting itself. It is only when we investigate the real significance of the losses in men suffered by Hungary in the Great War that we shall be able to offer a comparison between the mortality as increased by the war casualties and that of the

normal years of peace.

In Hungary the mortality index shows that the proportion of men of 20—45 years of age dying in normal peace years was 8.1 to the thousand. Under normal circumstances, therefore, the proportion of men of the said ages dying in four years was 32.4 to the thousand. But during the four years of the first Great War the number of Hungarian men dying was 187 to the thousand—i. e. roughly six times as many as in normal times. The seriousness of the losses in men suffered during the Great War will be even more striking when we add that the number of men dying in Hungary during the years 1914—1918 was as great as that recorded under other circumstances in a quarter of a century: that will enable us to judge the significance of the question more clearly.

So serious a loss was not suffered by any other State; for the war losses of France were themselves slightly better, while those suffered by Germany were more decidedly better, despite the fact that the losses in men suffered by the Germans during the Great War were also enormous. Taking the same basis of calculation as above, we may establish the fact that the losses in men suffered by Germany during the Great War were five times as great as those shown by the mortality of normal years — that meaning that Germany in four years lost as many men as she would otherwise have lost in 20 years.

Far more favourable relatively is the situation in the list of sufferers of Rumania, Bulgaria and Italy. Rumania and Italy only entered the war at a later period, their losses in men being in consequence absolutely smaller, while the rapid occupation of the Rumanian territories saved the Rumanian people from suffering any material loss of civilian life. The situation was the same in Belgium too; for that country was rapidly occupied; though its losses in men were less also because its soldiers included in their ranks a large number of persons of foreign nationality. That is one reason explaining why Britain, Australia and Canada sacrified so many lives and had to bear so large a quota of the toll of blood which the Great War demanded of humanity. That there were Canadian, Australian and New Zealand losses, is only natural; but it is remarkable that Great Britain, which after all played rather a secondary part in the actual fighting, should have to record so large a number of deaths in action. The losses of the U. S. A., naturally dwindle to insignificance compared with those of the other countries.

The losses suffered by the villages (parishes) inhabited exclusively by Magyars and Germans were the greatest among

those incurred by Hungary.

Wilhelm's interesting work considers it important also to give a detailed statement of the Hungarian figures. When doing so he shows that the proportion of men of the age of 20—45 killed in action was 112 to the thousand in the districts inhabited exclusively by Magyars and Germans, while the proportion of men of the said age killed in action in the other districts was as follows: — in purely Slovak districts only 95, in purely Rumanian districts only 95, in mixed Serbian districts only 89 and in mixed Ruthenian destricts only 48 to the thousand.

The losses in men incurred during the Great War in every respect affected the Magyars most seriously; it being the Magyars that had to sacrifice the greatest number of honest workers.

The losses in men suffered in the first Great War were serious. Today - 22 years after the end of that War - we still feel the effects of those losses; indeed, in all probability the gratifying increase of territory that has fallen to Hungary's lot will once more throw into relief the shortage of men caused by the Great War. It is therefore imperatively necessary to deal with the question and to point out what the real cause of the shortage of men is. We lost many men - very many; for in the course of four years the ranks of working men were thinned to the extent of the usual rates of mortality of twenty-five years, while at the same time mighty masses of men came home invalided or disabled, being in consequence compelled to seek employment in other fields and to fall out of the ranks of those engaged in the work of production. It is therefore comprehensible that in order to strengthen the position of the Hungarians, efforts must be made to avoid any further losses in men and to enhance the ethnic forces of the Magyars by repatriating the Magyars torn from us.

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SIXTY PER CENT. OF INHABITANTS OF SERBIA — ILLITERATES.

It is reported from *Belgrade* that M. Jonitch, inspector in the Serbian Ministry of Education, has made a statement respecting the educational problems of this country which offers an interesting sidelight on the intellectual conditions in force in the former Yugoslavia; and at the same time the inspector described the efforts being made to give the educational policy of Serbia a new direction.

In its opening words the statement made by the inspector (ministerial commissioner) pointed out the contrasts existing in Serbia in respect of culture and intellectual standards. On the one hand there are the villages with a patriarchal-peasant culture; while on the other hand we have the urban hypercivilisation: the love of justice of the rural population being in glaring contrast to the corruption of the townsfolk. There is a gulf fixed between the two sections of the population with their divergent standards; and there is no link connecting them. The catastrophe suffered by the country was caused by the educated classes of the towns. When Yugoslavia was established, international capitalism regarded the new State formation as its colony, which it subjected to its domination, not only economically, but in intellectual respects too. This system found loyal henchmen in the successive Governments; and the various ministers, though in public they fought against internationalism and stressed national slogans, as members of the boards of directors or committees of supervision of the big undertakings obtained unlawful profits out of the spoils of international capital. Many of the most influential university professors — and indeed of the headmasters and masters of secondary schools - were freemasons. These men, under the guise of "progress", treated the younger generations to an education of a radical (Left) character, the result being that the educational institutes became hotbeds of communism. The party politicians did not shrink even from exploiting the youth of the country for party ends. In this way the educated section of the Serbian people became entirely diverted from its national feelings and national consciousness.

Such a state of things naturally resulted — continued the ministerial commissioner — in public education being completely out of touch with the requirements of the nation.

In the organisation of the schools other States were copied which stood on a far higher level of culture. Large numbers of "gymnasiums" (higher-grade secondary schools) were opened, whereas there was an entire neglect of agricultural and technical professional education. That was how there sprang into being the grotesque situation in which the masses of young men who

had passed 'gymnasiums' formed an intellectual proletariat, while on the other hand the country was quite unable to train

fully qualified industrial and agricultural experts.

Speaking of the tasks of the future, M. Jonitch, ministerial commissioner, above all stressed that the public education of the country must be organised uniformly. The various types of schools had so far been subject to the jurisdiction of various departments; now that situation was to be put an end to, all schools to be made subject to the control of the Ministry of Education. The programme of the secondary schools was to be materially changed, while public education was to be freed from the influence of freemasons and the radical (Left) elements. The outlook on life will in the future no longer be every man's own private affair. The head of every school will be responsible for the intellectual (spiritual) attitude of the teachers or masters subject to his control; while every teacher or master will be responsible for the outlook on life of his pupils.

The development of agriculture — continued the ministerial commissioner — necessitates the adequate professional training of the younger generations; but it cannot be allowed that the pupils of the agriculural schools who have finished their studies shall obtain comfortable berths in some State institution. In the future these pupils will be required to return to the soil. The country needs trained farmers able to cultivate the soil in a manner ensuring that that soil shall produce, not only enough to meet the inland demand, but a quantity allowing of export surpluses too. In Serbia trained farmers have always been very influential men. Commissioner Jonitch cited an instance in point — the case of a farmer who had passed a secondary school and installed an electric plant in his village; that farmer was more highly respected in the whole neighbourhood than if he had been a minister.

One of the primary tasks confronting the department of education was how to overcome or at any rate decrease illiteracy. To that end a general campaign is to be started against illiteracy. At the present moment 60% of the inhabitants of the country are unable to write. Some of these illiterates have indeed attended elementary schools; but they have never had an oportunity in life to utilise their knowledge, the result being that they have forgotten all that they learned at school. He is however personally convinced — continued the ministerial commissioner — that the Serbian people is imbued with a keen lust of knowledge. In one village, for instance, he had found a "Robinson" book scarecly a page of which was whole. But it was the only book in that village, and everybody wanted to read it. That was why it had been so badly used. In this respect too the elementary teachers have important tasks to face. In the future the teachers will be required, not only to teach in the schools, but also to

carry on an extra-mural cultural activity. It will be the business of the teachers to organise the village (parish) cultural associations; and every cultural association will be given a library.

The education of girls is also to be very considerably reorganised; and an endeavour is to be made to put an end to prevailing conditions. For so far the younger generations of women have after finishing their schooling swamped the civil service, thereby on the one hand lessening the chances of employment open to men and on the other hand entirely neglecting their vocation as wives and mothers.

IMPORTANT ORDER IN COUNCIL ON SOCIAL INSURANCE

In the August 20th issue of the Official Gazette Order in Council No. 5960/M. E. ex 1941 — containing amendments of the social insurance measures — was published. The measures contained in the Order — which are of far-reaching significance from the socio-political point of view — may be divided into three principal groups.

The first group embraces those measures which considerably raise the social insurance allowances in favour of the employees— this improvement being effected alike in the case of sickness and accident insurance and in that of old age and disablement

insurance.

In the case of sickness insurance the amount of compensation is to be increased by 10%.

Under the present measure accident allowances will advance by 15% in proportion to the scale of the supplementary wages.

The old age and disablement insurance compensations have been raised by the Order both in respect of the original (fixed) and the gradational supplementary allowances. The amount of the former is being increased from 126 to 150 pengo, while the amount of the latter is to be raised by 15%, also in proportion to the scale of the supplementary wages.

Within the framework of the old age and disablement insurrance means are taken as far as possible to solve also the problem of increasing the pension allowances of employees of private enterprise (bank and other clerks, etc.) insured with the

pension institutes maintained by the undertakings.

The Government regards as a duty of prime importance the strengthening of the position of Hungarian families. That is why it has abandoned the principle hitherto enforced of allotting insurance compensations equally to all employees irrespective of their family circumstances.

In addition to raising the amount of birth relief grants the Order prescribes the increase of the cash and other compensations in favour of married persons and persons with families (children).

An epoch-making importance attaches to the system of supplementary compensations payable to persons who are married — fixed amounts for wife and each child —, an entirely novel kind of compensation so far quite unknown in the field of social insurance.

Apart from increasing the old age and disablement insurance compensations the Order raises the supplementary child allowance by 100% and invalidates the provision hitherto in force which restricted the amount of such allowances to not more than one-fifth of the original compensation. In the future, therefore, the child allowances will be payable unrestrictedly irrespective of the number of children.

The furtherance of the possibilities of founding families and thereby of the increase of population is the object of the provision in terms of which every insured woman who marries is entitled after the lapse of 100 weeks to receive a marriage com-

position (lump sum compensation).

A provision of importance from the point of view of family protection is that which ensures the members of the families of insured men engaged in military service the payment for a period of six months from the time at which the insured join their regiments of social insurance relief (grants) without any return (without the payment of contributions or insurance fees).

We may include in the third group of provisions those which affect the obligation of insurance and the social insurance autonomy and administration, as also those which serve the purpose of rendering the regulations hitherto in force clearer

and less open to dispute.

The Government deserves special gratitude for realising this social insurance reform of such far-reaching importance in the case of sickness insurance without raising the scale of contributions (fees) and in that of old age and disablement insurance by merely raising the social charges by 1/2%.

The Order in Council of such importance — which affects every class of the population alike — appeared, as already stated, in the St. Stephen's Day number of the official gazette.

IRRIGATION CANALS: RICE PRODUCTION

The purpose of the Irrigation Act passed in 1937 is to make every foot of soil in the Great Hungarian Plain productive. The extensive works already in progress have by now turned lands that were formerly practically barren wastes into flourishing areas of production. Four systems of irrigation canals to cost eighty million pengo are being constructed, and on the Tiszafüred section irrigation farming began in 1940. Besides this one, the Bekesszentandras section is now ready, as in also the great irrigation system of the river Tisza starting at Tiszalök.

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At Hodmezovasarhely the construction of canals which are to irrigate 15.000 cadastral yokes is to be begun this year.

The major work was the construction of the Tisza irrigation system at a cost of sixty-five million pengo; and that work was begun this July. This irrigation system, taking advantage of the natural fall in the level of the Tisza at Tiszalök, draws from it 60 cubic metres of water per second and waters 200.000 cadastral yokes. The main channel, starting at Tiszalök, passes through Büdszentmihály, Hajdunanas and Balmazújvaros to join the Berettyó canal below Berettyóujfalu. Its length is about 100 kilometres and it is deep enough to be navigable by barges of 1000 tons.

This canal will not only serve the purpose of irrigation, but will also be otherwise of great advantage to the part of the country through which it runs; for by linking it up with the other waterways in the country, it will provide a cheap means of transport for agricultural produce. The length of the branch canals will be over 100 kilometres; they will pass through an area of 500.000 cadastral yokes, of which it will be possible to water 200.000 at a time.

The Regent of Hungary, who is one of the best farmers in the country, was the first to advocate the idea of a general irrigation scheme, and to set an encouraging example, he was one of the first to use the water supplied by this canal for rice-growing. The Regent began to grow rice last year on barren, sodaic soil. As an experiment he began with one and a half yokes of land. The result was astonishing. Those one and a half yokes yielded 25 quintals of rice, or 17 quintals per yoke. Encouraged by these initial results, he planted rice on 18 cadastral yokes this year. The crops were even heavier than last year.

RUMANIANS OF HUNGARY FORM CENTRAL CO-OPERATIVE SOCIETY

The July issue of the "Tribuna Ardealului" of Kolozsvár, an organ of the Rumanians of Hungary, announced with satisfaction that the Hungarian Government had given permission for the formation of a central Rumanian co-operative society in Hungary, to be named the "Plugarul Centrale Cooperativerol Romanesci". With this official permission the Rumanian co-operative societies have now a central organization to direct and assist them. The Rumanian periodical says that the formation of this central organization is a matter of great importance, and emphasizes the point that it is an application of the principle of equality. It states that at the same time Rumania has permitted the Hungarian "Hangya" co-operative society to modify its

statutes so as to allow of the establishment of Hungarian cooperative societies in Rumania. The headquarters of the "Plugarul" will be in Kolozsvar.

The "Tribuna Ardealului" expresses the hope that it will be possible for Hungary and Rumania to arrive at an agreement in terms of which the question of the existence and growth of Rumanian banks in Hungary and Hungarian banks in Rumania will be settled on the principle of reciprocity.

SERBIA LEARNS TO ECONOMIZE

"The situation created by the war and the consequent need of economizing" — these are the words with which almost every order issued by the civil authorities in Serbia, now under German occupation, begins. The situation created by the war makes economy imperative all along the line, economy in public offices and reduced salaries and wages in every undertaking, for little Serbia is no longer able to pay her employees so well and maintain so great an apparatus on her remaining territories as did Yugoslavia with her 15 million inhabitants.

The position of army officers in Serbia is a peculiar one. Some of them were taken prisoners of war, others are virtually prisoners. The latter have been registered, and altough they may remain with their families in Serbia, they are considered as prisoners of war on parole, as is every man who in terms of the Yugoslav Mobilization Act of 5th April 1941 ought to be serving his military term. With reference to the situation created by the war the Government, or as it is now called the Council of Ministerial Commissaries, has regulated the payments of army officers and State officials made prisoners of war. Army officers in particular are badly affected by the Ordinance doing so, for a general, for instance, who has been taken prisoner or declared to be a symbolical war-prisoner, cannot receive more than 2500 dinars a month, and every Serb general, like every other officer of the regular army in Serbia, is either a prisoner in camp or a symbolical prisoner in the bosom of his family. Majors and colonels receive 2000 dinars, lieutenants and captains 1500, and non-commissioned officers 1000. The situation is practically the same with the civil officials who are regarded as war-prisoners. Those of them who were in classes I to III. Ministers, heads of departments etc., receive 2500 dinars, those in classes IV to V, 2000, those in classes VI-to IX, only 1500, while temporary clerks, messengers and lower-grade employees are paid only 1000 dinars a month. The same rules apply to those who have been pensioned; no matter what a man's rank may have been when he retired, he cannot receive more than 2500 dinars a month. As regards pensions, this rule applies not only to army

officers, but also to all retired civil servants. It does not apply to State employees who are still in active service, and if any such are army officers who have been taken over by the civil administration, they — although considered prisoners of war — are to receive their former salaries which, however, have been decreased by the deduction of various extra allowances, emoluments paid in kind, etc. Serb army officers, who were very well paid, will feel these cuts badly, but the civil population has not much sympathy to waste on them, for it was the behaviour of this sabre-rattling caste that brought about Serbia's downfall.

There is an interesting office in Brankova Street in Belgrade. It is a department of the Ministry of Finance and its task is to liquidate the Ministry of War completely. Defeated Serbia is not allowed to keep any army whatever, so there is no need of a Ministry of War, and the work of liquidating all its departments has been begun by the above-mentioned office.

Prices in Belgrade are very high. Lard costs from 60 to 70 dinars a kliogramme. The maximum price fixed by the authorities is, of course, much lower, and day by day butchers find themselves arraigned in court for demanding more than the legal price. One thing that is cheap enough in Belgrade is firewood; but the quantity is limited. Firewood tickets have now been issued to the population, the quantity per head being one and a half cubic metres. The maximum wholesale price of first-rate beech logs is 2700 dinars per cubic metre; retail prices have not been fixed yet.

Day after day interesting decrees are published in the Belgrade papers. One of the latest is the decree regulating the so-called "minor frontier traffic", which prescribes how people living in Serb frontier villages who own land on both sides of the frontier may cross into Croatia and Bulgaria. The question of foreign travelling has also been partially regulated, and passports are now being issued, but no visas for Germany are obtainable, as Serbs are not yet allowed to visit that country. Only seasonal workmen are allowed to go to Germany with special permits. If someone from Belgrade, or any other Serb citizen, desires to visit Croatia, he must procure an official visa, which is issued by the Croat Club in Belgrade.

Bad times have come for the holders of free railway tickets. It is well known that free tickets were given indiscriminately in Yugoslavia, apart from the fact that the rules regulating the issuing of free tickets were extremely liberal. Ministers made presents of first-class free tickets to their friends and electioneering agents, and not only to single persons, but also to whole groups. This abuse was one of the evils peculiar to that Balkan country, and railway officials constantly complained that the passengers who paid for their tickets were

seldom able to get seats in the railway carriages, especially in the first class; that in fact perhaps nobody who travelled first-class ever paid for his ticket, all of them travelling with free passes. The Government has now issued a new and strict decree. In terms thereof no one but an active Minister is entitled to a free pass. Certain public offices have the right to ask for free tickets for their officials, but they must be paid for by the Ministry to which these offices are subordinate. Such offices are the Customs, the Gendarmerie and the Police, etc. State employees are entitled to a 50% reduction, as are also war cripples and journalists, as well as unemployed workmen searching for jobs. No one but the Ministers are to receive free passes that are not paid for bysome office, not even editors of newspapers.

"We Serbs are a little, poor, and culturally backward

nation", writes the editor of a Belgrade Government paper.

Jovanovitch Milan Stoimirovitch, former editor of the official organ of the Yugoslav Radical Party, is now publishing a new paper in Belgrade entitled "Obnova" (Renaissance). In it he wrote an article in which amongst other things he stated that Belgrade is full of refugees who must be made to understand the new historical situation. During the past twenty years Belgrade proved incapable of governing the State and must now be content to safeguard the cultural guidance of the Serbs.

In another article Stoimirovitch says that Serbia is a country of disillusioned and disagreably surprised people. He warns the Serbs that they must remember three important things, namely that "we Serbs are a little, poor, and culturally backward nation".

M. NEDITZ, SERB PREMIER'S DRAMATIC APPEAL

General Neditz — as we know — received permission from General Dankelman (Air Force), commander of the German troops occupying Serbia, to form a Cabinet and organize a national guard of 60.000 men. On 15th September General Neditz spoke over the air from Belgrade for the second time, on which occasion, amongst other things, he said:

"Serb Brethren, in these historically grave and tragic moments I speak to you frankly and sincerely. I wish to give you another warning, lest anybody should say that nobody drew the people's attention to our serious and tragic situation. Serbs, your country is on the verge of civil war, of the most terrible civil war imaginable. The responsibility will be borne, not only by those who wish for it, but also by those who do nothing to prevent it and those who begin it. All the enemies of our country are co-operating in an endeavour to create anarchy. Revolu-

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tionaries are blowing up the bridges left, are tearing up the rails and endangering the food and firewood supplies of the population. You must know that the German troops have no need of our means of communication, for the scene of their war is now far removed from our country. Anyone, therefore, who works destruction is merely helping to make certain that thousands of Serb children will starve to death this winter, and that our people will have no fires in their houses. The object is to create a state of anarchy in which brother will strive against brother and father against son."

"Should" — continued M. Neditz — "the occupying army take punitive measures against Serbia because of these depredations, no single town or village will be left undamaged, families will be ruined and Serbia will share the fate of Montenegro, I beseech the Serb people to be guided by commonsense, lest Serbia should become as Spain, which has not yet recovered from the consequences of the civil war. Time presses; tomorrow may be too late."

In conclusion M. Neditz appealed to the disturbers of peace to leave their hiding-places in the woods and throw away their arms and bombs. Those who returned home before 17th September would be granted an amnesty.

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BULGARIA

BULGARIAN MINISTER FOR AGRICULTURE ON AGRICULTURE IN BULGARIA

A short time ago M. D. Kusev, Bulgarian Minister for Agriculture saw the journalist Dr. N. Christov, and in the course of the interview made the following statements about the situa-

tion of agriculture in Bulgaria:

Bulgaria, where 82% of the population lived from agriculture, was the classical home of the small farmer. Only 40.2% of the country was arable land, 9.3% was pasturage, 30% consisted of forests, mountains and untillable areas. The majority of the land farmed by the peasants, mostly divided into very small lots, was their own property, only a very part of it was rented. About 63% of the farms were less than five hectares in extent. These embraced 30% of the entire agricultural area. A further 26% of them were over five and under ten hectares and embraced 37% of the cultivated land, while the remaining 11% were farms over ten hectares in area embraced 33% of the tilled land.

In Bulagria the main agricultural product was corn, which was grown on 70% of the arable land. The second place was held by fodder on 18% and the third by industrial plants, such as tobacco, sunflowers, soya beans, sugar-beet, paprika, grapes, etc., on 12%.

Continuing, the Bulgarian Minister of Agriculture said that agricultural production in Bulgaria was much more intensive than in the adjacent countries, and quoted the following figures in support of that statement: —

Average yield per hectare in quintals

		Bulgaria	Greece	Rumania	Former Yugoslavia	Turkey
Wheat	11115	11.6	5.9	10.1	11.7	8.2
Barley		13.2	7.7	9.8	9.8	9.7
Maize		10.5	7.3	10.3	13.1	13.2
Tobacco	1000	8.5	6.4	6.9	7.5	7.6

Bulgaria however, was not satisfied with these results. She was working systematically to increase the volume of her crops, on the one hand, by making agricultural production more intensive and, on the other, by reclaiming waste areas. With a

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system of drainage and irrigation she intended to improve about 800.000 hectares, and would gain a further 550.000 by clearing certain forests and 500.000 by reclaiming barren, waste areas.

M. Kusev attached very great importance to the parcelling out of land, which was to be done throughout the whole country. He hoped that at its conclusion Bulgaria wuld gain another 100.000 hectares of arable land. To make agricultural production more intensive, in future a greater quantitiy of oleaginous plants, fibrous plants and medicinal herbs would be produced, more poultry and animals, especially pigs, reared, and everything would be done to encourage the manufacture of tinned vegetables and fruit. ("Bugarische Wochenschau", Aug. 5.)

CROATIA

CROATIA'S AGRICULTURE AND CATTLE-BREEDING

A report from Zagreb states that, although Croatia's frontiers have not yet been definitively fixed, an approximate estimate of agriculture and cattle-breeding in the new independent State may nevertheless be formed. The area of Croatia will be about 115.000 square kilometres and her population almost 7.000.000. Fourfifths of her inhabitants are engaged in agriculture and forestry. This, however, by no means signifies that Croatia is self-sufficient. The chief reason why she is not, is that her agricultural land consists mostly of dwarf farms, which makes the production of a surplus for the markets impossible, especially as regards bread cereals. A considerable part of the country consists of bare dolomites, and none of the farms in the arable regions produces more than its owner and his family require. It is only in the plains of Slavonie and Syrmia that enough is produced to leave some over for the markets. This quantity, however, is insufficient for the requirements of the whole country so that even with the best possible crops present-day Croatia will be dependent on imports for her bread cereals. Where plants yielding oil are concerned the situation is much better. In Croatia's littoral district there are about 4.750.000 olive-trees, which yield 6000 tons of oil per annum. Of late soya beans have been planted in much larger areas, so that in normal circumstances Croatia will have enough oil for her own requirements.

Yugoslavia was very rich in fruit-trees, but only onethird of the 60.000.000 registered are in Croatia: 15.000.000 plumtrees, chiefly in Bosnia, 2.500.000 apple-trees, 1.600.000 peartrees and 1.300.000 walnut-trees. With proper attention these trees ought to produce enough fruit to allow an ample margin for exportation. Croatia has an area of 100.000 hectares of vineyards and tobacco fields, of which the plantations is Bosnia—e. g. at Trebinye—are famous. They produce so much that there

will be plenty left over for exportation. Croatia will also have flax and hemp to export, for she has 13.000 hectares sown with the former and 16.000 with the latter.

Compared with the size of the country and the density of the population, Croatia's stocks of animals are considerable. She has at present 1.250.000 pigs, some of which she will be able to export, since the Croats eat mostly mutton. Seeing that 3.500.000 sheep have been counted in Croatia, the populaiton will be amply supplied with meat, and some of it will remain for exportation. The Croat peasants themselves spin and weave the wool to make their own homespuns, so that Croatia will have none to export.

Croatia's stock of horned cattle is large, for it is estimated that she has 2.000.000 head. In 1939 Yugoslavia had 4.225.000 head of cattle, of which 676.000 were slaughtered in the country and 45.000 were exported. In comparison Croatia's stocks are very considerable. They will be an important item in her foreign trade, for a large proportion of Yugoslavia's exports of cattle came from the present Croat areas.

Of particular importance will be Croatia's exports of timber. One of Yugoslavia's major exports was wood, which came chiefly from Croatia and Bosnia, and in future the new State will be able to export this commodity in even greater quantities.

HUNGARY

HUNGARIAN ECONOMIC RESEARCH INSTITUTE FORESEES FAVOURABLE ECONOMIC YEAR

The Hungarian Economic Research Institute in August published its report — furnished with exhaustive data — describing the economic situation as it stood at the end of July. The report points out that the economic situation all the world over is being influenced decisively by the increase in the production of war material and that in consequence the production serving the purposes of consumption has necessarily had to be restricted.

There is no means yet of foreseeing what sacrifices of an economic character will have to be made; but there is no doubt that the hostilities have already to some extent affected the economic life. Even prior to Hungary's entering the war the country's economic situation was decisively influenced by the continued armaments activity and the more and more comprehensive extension of the control of economic life. Other important factors influencing the development of the economic situation are — the constantly increasing difficulties attending the supply of raw materials and the harvest yield, which latter in 1940 was of an unfavourable character and was responsible for

difficulties in respect of the supply of food. The 1941 yield promises to be more favourable.

The situation of agriculture in the economic year 1941—42 will in all probability be better than that recorded for the previous year. As a consequence of the concordant system of prices introduced just before the opening of the current economic year the cash receipts of agriculture would be 21% in excess of those recorded for the economic year 1940—41, even in the event of the volume of produce marketed being the same as in the previous year. But, seeing that on the whole a medium average harvest yield may be expected, we may reckon on the cash receipts of agriculture advancing on an even more considerable scale. We must not however forget that as a consequence of the new adjustment of industrial prices to be expected there will be an advance also in the prices of the materials

required for agricultural operations.

Taking our industry as a whole, despite the increasing difficulties attending the supply of raw materials industrial production developed favourably during recent months too. This relatively favourable development was rendered possible by the more or less considerable decline ensuing in the output of numerous branches of industry (cotton and rubber industries, certain branches of the chemical industry, etc.) as a result of the shortage of raw materials, having to some extent been counterbalanced by the advance in the output of a few other branches of industry. There has been a noteworthy increase in the output of the mining industry, of a few branches of our heavy industry, of some branches of the chemical industry, of the paper industry and of one or two branches of the victualling industry of minor importance. There was a slight improvement in the degree of employment of industrial workers as compared with the previous year. The number of hands employed in the manufacturing industry and in the crafts in the soring of 1941 was only a shade below the peak point reached in the summer of 1940. A moment offering great facilities to Hungarian industry is that the supply of energy may be regarded as ensured, - particularly in the event of the materialisation of the scheme of investments in the colliery industry encouraged by the grant of special premiums.

There appears to be a possibility also of expanding the field of raw material production in the country, particularly by having recourse to the further expansion of the branches of industry manufacturing substitute articles which depend upon the supply of raw materials obtainable in the country, to the accumulation of waste material, to the exploitation of the mineral (metal) deposits to hand in Transylvania and to the enhancement of the hemp production of Southern Hungary. The prospects in respect of the degree of employment are also of a favourable

character. The expansion of the industries manufacturing substitute materials provides work for a large number of hands; while the utilisation of the substitute materials also demands a larger number of workers than that required in the manufacture of the original raw materials.

An important part of the report of the Economic Research Institute is that which deals with the investments required. In our industry many very important investments are today imperatively necessary. Apart from the effectuation of investments long deferred, in numerous branches of industry (though above all in the heavy industry and in the colliery industry) it has become necessary to increase the capacity of production and to expand the output, - partly as a consequence of the requirements incidental to the increase in armaments, partly owing to the fact that the industrial output of the re-incorporated territories is a comparatively slight one. The need for investments is enhanced also by the circumstance that the mining and industrial undertakings in existence in the re-incorporated territories need modernisation and expansion. In connection with the investments there are two problems to be solved. On the one hand the capital required for the investments must be raised, and on the other the capital goods needed have to be produced. Although there are undertakings which as a consequence of the decrease of their output and the decline in their stocks of goods are in a position to carry out investments out of the floating capital thus released, only a relatively very small number of undertakings would be able to do so. In the capital market there is every possibility that our industry will be able once more to secure the capital which it requires in that quarter.

RUMANIA

CHANGES IN RUMANIAN HEAVY INDUSTRY

In Rumania great changes have ensued in industry, — chiefly in the heavy industry. Several big undertakings have been nationalised; while other big undertakings have been taken over by new groups of investors.

The fate of the Resica Ironworks — the biggest undertaking in the Rumanian heavy industry — was for months the focus of the interest of the world press. After the first Great War and the consequent collapse of the Austro-Hungarian Monarchy the control of the undertaking which had formerly been in Austrian hands was seized by a "faiseur" of the name of Ausspitz. This man was the uncrowned king of the iron industry of Rumania, besides being the intimate personal and business friend of King Charles of Rumania, to whom he owed the continual increase of his power in the business world too. All the greater

was the surprise when King Charles approved of the arrest of Ausspitz and agreed to the Rumanian authorities instituting the most ruthless investigation into the affairs of Ausspitz and the Resica undertaking. The investigation lasted for years; and the Resica Works too seemed to be threatened with a complete, collapse when there appeared upon the scene the German Hermann Göring concern, which undertook the re-construction of the Resica undertaking.

The Resica crisis was, however, only the first chapter in the story of the scandals affecting Rumanian industry. Malaxa too, the patron of the Iron Guard who was Ausspitz's greatest rival, was overtaken by the same fate. This man, who from being a simple engineer had risen to be an industrial magnate, - who obtained possession in succession of the Rumanian iron and steel works and machine and locomotive factories not belonging to the Resica concern, as well as of the largest munition factory in the country, - was intimately associated with the State and played a leading role also in Rumania's economic policy. When he attempted to usurp a similar role in the internal political world of Rumania too, he found himself confronted with General Antonescu, who had Malaxa arrested for taking part in an Iron Guard "Putsch" and instituted proceedings against his undertakings as having committed abuses in connection with public contracts. (Ausspitz was at the same time released and allowed to get away. He is said to be at present in New York).

The fate overtaking the Malaxa Works was the same as that suffered by the Resica undertaking. The gigantic factories came into the possession of the Rumanian State and were subsequently leased by the Hermann Göring concern. As for the undertaking previously a joint investment of the Resica and Malaxa concerns, — viz. the Astra Carriage and Machine Manufacturing Co. Ltd. —, the majority of the shares of this third gigantic undertaking were also taken over by the Rumanian State, their affairs being now administered by a Government Commissioner.

The latest event in the story of nationalisation has been the increase of the share capital (now in progress) of the Vajda-hunyad Ironworks, the new shares issued in connection with this transaction having also been taken over by the Rumanian State. The German Ferrostahl concern is also interested financially in

this undertaking.

The report of the Bucharest German-Rumanian Chamber of Commerce published recently serves in an interesting manner to supplement this survey of developments. The data published by the Chamber show that in the first half of the current year 19 new joint-stock companies were established in Rumania with the co-operation of German capital. Some of the new companies are industrial and others are commercial; the spheres of activity

of the new companies are connected, not so much with the heavy industry as with agricultural industry and agrarian export. With the co-operation of German and Rumanian investors and of Schenker & Co. a joint-stock company (the "Ceremag") has been established primarily for the purpose of leasing and building warehouses and of promoting agrarian export trade. The Friedrich Czell Co. Ltd. has been formed by Germans living in Rumania for the canning and exportation of preserved meat; another undertaking with German capital is the Odol Co. Ltd., which recently took over also the Arad branch of a Budapest chemical factory.

A slow process which has however been in progress for several years, is the nationalisation of the oil industry. The undertakings belonging to West European investors are being taken over either by the Rumanian State or by German

concerns.

RUMANIA TO TAKE UP A GERMAN LOAN OF 24,000.000 LEI

It is reported from Bucharest that the Rumanian Government has issued a proclamation relating to the new War Loan. The new loan is called the "redintegration loan" ("imprumut reintegririi") and is to bear interest at the rate of $4^1/_2$ % per annum. The nominal value of the bonds is 5000 lei, the price of issue being 4500 lei. Special "peasant bonds" of the nominal value of 1000 lei are to be issued and are to be redeemable within five years. A special premium is to be given to holders of the "peasant bonds"; every year there are to be fifteen drawings, the prizes offered on each occasion being 2 oxen, 500 ploughs, 500 carts, etc.

Another report from Bucharest informs us that the Prefect of Jassy has issued an ordinance declaring that no one has the right to drag Jews away from their homes or to take up Jews found in the streets; on the other hand, all Jews between the ages of 18 and 60 are required to undertake 15 days' public work. Those who can prove that they have already done such

public work, cannot be required to do so any more.

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