

THE ECONOMIC RE-CONSTRUCTION OF SUB-CARPATHIA

BY

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The economic reinforcement of *Sub-Carpathia* — the province re-incorporated in Hungary between March 15th and 18th last — is one of the most important objects of the policy of the Hungarian Government. The *Hungarian Government* did all in its power immediately after the re-incorporation of that province to provide the *Hungarian-Russian (Ruthenian)* people now liberated after twenty years of suffering with opportunities of work ensuring their subsistence. Far-reaching social and administrative measures were taken to prevent there being any trace of famine or destitution in *Sub-Carpathia*. The first assistance given to the autochthonous Hungarian-Russians took the form of gratis supplies (of wheat, maize, rye, bacon and oil). These gifts represented a total value of several million pengő. The first social measures were followed immediately by a systematic economic policy instituted by the Hungarian Government. A beginning was made already in the first weeks of the new régime with the work of providing the able-bodied persons with jobs in private enterprise. In most places deforestation and lumbering operations have begun. The wood-manufacturing establishments are also operating at full capacity. The State forestry domains are fully in operation too. Two expedients have been found for ensuring the employment of those workers who were unable at the outset to find jobs in private enterprise. One form of assistance is of the character of an investment; this expedient was first employed in creating opportunities of labour within the framework of the forestry and waterways department of the *Ministry of Agriculture* and of the State building office of the *Ministry of Commerce* and has so far resulted in ensuring the subsistence of many thousand workers and their families. The other expedient took the form of emergency works. Within the framework of this scheme work has been provided for unemployed either near villages or within the confines of the villages. These works have all proved beneficial to the Hungarian-Russian villages. The works in question consist of the building or repairing of parish roads, pavements and market-places, of the construction of embankments, small bridges or crossings over the brooks flowing past or through the villages; and indeed in places the dilapidated houses of the needy Ruthenians have been repaired and made habitable. For the

purpose of providing opportunities of work the *Hungarian Government* bridged over the initial difficulties also by employing the agency of the *National Hungarian Agrarian Association* to enable many thousands of Ruthenian labourers to take part in the reaping, threshing and other agrarian work in the *Hungarian Lowlands* and thereby to obtain a whole year's supply of produce.

Reservoir, Improved Mining, Industrialization and Better Forestry.

In addition to these transitional measures the Hungarian Government has elaborated plans on a large scale for the economic re-construction of Sub-Carpathia; and the realisation of these plans is already under way. For the Hungarian Government is fully aware that the re-incorporation of Sub-Carpathia is a gain alike to Hungary and to the re-incorporated province, seeing that it has brought about a restoration of the economic equilibrium that had been developed through ten centuries of symbiosis. To Sub-Carpathia the re-incorporation means an enormous advantage, seeing that in consequence the dead values of that province have appreciated on a very large scale. The increased exploitation and manufacture of its natural resources must bring about a considerable economic upswing in this area. And it is with this object in view that the Hungarian Government has elaborated its far-reaching economic plan. Within the framework of this plan it is proposed, for instance, to construct in Sub-Carpathia the mightiest reservoir in Europe, which is to feed the irrigation works in the Hungarian Lowlands. We see, therefore, that the re-incorporation of Sub-Carpathia renders it possible at long last to ensure the volume of water required for the irrigation of the Lowlands. The dam is to be built in the valley of the Tarac; it is to be 70 metres high, 40 metres broad and 372 metres long. This will be the largest valley-enclosing dam of the kind in Europe. The reservoir is to be 10 kilometres in length and will form an artificial "tarn" with a depth of 70 metres that will prove to be one of the most attractive sights of Europe. For the production of the concrete required for the building of the dam a stone quarry is to be opened in the neighbourhood; and this quarry itself will suffice to provide many hundreds of workers with labour for a few years. The costs of the construction of the dam and the reservoir have been estimated at 25—30 million pengő. The work of building will take some four years. Of the 25—30 million pengő estimated as total cost 15 million pengő are to be appropriated for wages, thus ensuring opportunities of work for the Hungarian-Russian people.

The construction of the dams will make it possible to produce also electrical energy at a reasonable cost. Each of the valley-

enclosing dams will be able to produce at a very cheap rate sufficient energy to supply the needs of *East Hungary*.

A concomitant of the plan for the production of electrical energy is the intention of the Hungarian Government to industrialize *Sub-Carpathia* and thereby to provide many thousands of workers with a subsistence. The *Hungarian Government* proposes to establish spinning and weaving mills at various points in the province, as well as a large-scale textile factory at Munkács. The Hungarian Government is particularly anxious to increase the output of the salt-mine at Aknaszlatina and proposes in consequence to establish a new up-to-date mill at Aknaszlatina. Another point in the programme of the Hungarian Government is the carrying out of works to render the Tisza navigable as far as *Tiszaújlak* (or even as far as Huszt), thereby enabling the salt to be carried by the cheaper water-route. The amendment of the Hungarian railway tariffs to meet the needs of *Sub-Carpathia* is in progress. The solution of this problem will on the one hand make it possible to market at good prices in all parts of the country alike the fire-wood produced in *Sub-Carpathia*. From the point of view of the rapidity and cheapness of carriage great importance attaches to the fact that we recently succeeded in concluding with *Rumania* an agreement respecting the transit traffic passing through Rumanian territory. Equally important from this point of view will be the new railway line to be built between *Aknaszlatina* and *Tarac-köz*, the construction of which is already in progress. As already noted above, the Hungarian Government is extremely anxious also to further the rationalization of forestry management in *Sub-Carpathia*. The most important factor of the economic life of that province is the forest-land covering about one-half of its area, which maintains roughly 40% of the population — that figure being reached by taking into account the circumstance that the lumbering, rafting, wood distilling operations etc. provide labour for about 100.000 persons and ensure the subsistence of about the same number of families.

Furthering of Forestry.

The principal branches of production of the forestry of *Sub-Carpathia* are: the production of fancy wood, divided into two branches (hard — beech and oak — and soft — fir — wood) on the one hand and on the other the production of fire-wood and cellulose wood and the manufacture of the products of wood distilling (charcoal, wood spirit, wood lime, acetine etc.). The production of soft wood itself is of great importance for the Hungarian market, for as a consequence of the restoration of *Sub-Carpathia Dismembered Hungary* has now to import from foreign countries 30—40% less soft wood. The change is much more significant in respect of the production of hard wood; for

the re-incorporation of *Sub-Carpathia* — in addition to bringing about a complete suspension of our hard wood imports — will provide us with export surpluses. The re-incorporation of *Sub-Carpathia* has also revolutionised our position in respect of fire-wood. *Trianon Hungary* was very largely dependent upon imports for the supply of her needs in respect of fire-wood; now the country will be able to supply all the fire-wood it requires.

The production and marketing of the wood suitable for the manufacture of cellulose is also one of the important problems awaiting solution in *Sub-Carpathia*. The *Hungarian Government* will also facilitate the establishment of a cellulose factory.

The reincorporation of *Sub-Carpathia* restored to Hungary three large wood distilling establishments (those at *Perecseny*, *Szoljva* and *Nagybocskó*), which manufacture 15.000 truckloads of firewood a year, producing, in addition to charcoal, other products of wood distillation (methylated spirits, wood lime, wood spirit, acetine etc.) in quantities sufficient, not only to secure the requirements of the Hungarian market previously secured by importation, but also to enable the country to export considerable quantities of these articles. The *Hungarian Government* expects great results to be obtained also by the works undertaken for the opening up of oil wells in *Sub-Carpathia*. The boring of the oil wells was begun already by the *Czech Government*. The *Hungarian Government* is on the one hand continuing the work begun by the *Czechs* and on the other hand having surveys made for the purpose of discovering where there are oil-fields making the boring operations worth while. The *Hungarian Government* is devoting peculiar attention to the work of improving the agriculture of *Sub-Carpathia*. For this purpose it has established three agrarian inspectorates in *Sub-Carpathia*:

1. The Agrarian Inspectorate attached to the *Ung* Administrative Agency, with its seat at *Ungvár*;
2. The Agrarian Inspectorate attached to the *Bereg* Administrative Agency, with its seat at *Munkács*;
3. The Agrarian Inspectorate attached to the *Máramaros* Administrative Agency, with its seat at *Huszt*.

In the hundreds subject to the jurisdiction of the several *Administrative Agencies* the work of agrarian inspection will be done partly by agrarian inspectors attached to the headquarters of the respective Agrarian Inspectorate, partly by agrarian inspectors stationed in the capitals of the several hundreds. In the space at our disposal it would be difficult indeed to enumerate all the far-reaching measures and extensive schemes already carried into effect or to be carried into effect in the re-incorporated province of *Sub-Carpathia* by the *Hungarian Government*. On the present occasion we would merely note that, in order to further the economic recovery of and to assist *Sub-Carpathia*, the

Hungarian Government has ensured that province a budgetary support well in excess of the quota naturally falling to its share.

It must also be noted that the inhabitants of Sub-Carpathia have been fully re-assured and their hopes considerably raised by the results of the repeated visits to that province of *Admiral Horthy*, Regent of Hungary, and of the Hungarian Prime Minister, Count *Paul Teleki*. The visits of the Hungarian Regent and of the Prime Minister created a profound impression in every class of the population, for they afforded an opportunity to all alike to personally express their wishes and record their experiences and observations. The affability and condescension of both the Regent and the Premier made them the objects of an enthusiastic popularity and in more cases than one veritable legends have sprung into being in connection with their appearance near the frontier without betraying their identity and with their frank conversations with the simple sons of the soil. Not till much later did the latter learn that they had been discussing their troubles with the Hungarian Prime Minister himself.

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