

# DANUBIAN REVIEW

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# WHO WILL LOSE THE WAR?

BY

FRANCIS HERCZEG

**W**ho will be the loser by the war? In our conviction all the cultured peoples which are belligerents. For the victor cannot possibly gain enough to prevent his loss being incomparably greater. What we are witnessing at present, is in reality nothing more or less than a ferocious self-laceration of the white races. *When the carnage is finally ended, over the limitless expanse of ruins a gigantic corpse will be found lying — the corpse of European culture.*

Already during the first Great War there was in circulation a catchword posing as a prophecy — „this will be the last European war“. And it occurred to a humanity brought up in the spirit of Christian charity to subject some 100—120 millions of their conquered fellow-Christians to the indignity of being chained like so many dangerous dogs. Recently we have again been hearing the old refrain — “this fight will be the last”; indeed, an educational programme has been added, it being announced that the sons of the defeated peoples are to be taught to loathe their own kith and kin and to give their hearts to those who keep them in the chains of slavery.

War can have only one object, — peace. But the present Great War is not being fought in a spirit promising to make it lead to peace. Yet a belligerent who fails to think of the agreement that should follow, concentrating his thoughts solely and exclusively on the “annihilation” of his enemy, is sacrificing the future of his own people to a passing fit of indignation. To be quite frank, we do not believe that it is under any circumstances possible to invent a peace which will automatically perpetuate itself. *We do not believe that it is possible, either by the help of an improved League of Nations or of an eventual international force of air-gendarmes to divide the millions of white men for any length of time*

into "first-rate" and "second-rate" peoples. That would not be peace, merely an armistice. Where millions and millions of human beings are gnashing their teeth and eagerly waiting for the moment when some chance cosmic disturbance loosens the foothold of those who hold them in slavery, there can be no talk of peace.

And in any case we are convinced that the conflict of the peoples will be decided, not by physical, but by moral factors. In most cases war proves able to create solutions of a temporary character only. In this connection we need only think of the fate of Alsace-Lorraine!! And *Nietsche* was right when he said: — "*Human nature finds it more difficult to stand the test of a great victory than that of a serious reverse; it would appear, indeed, that it is easier to win a great victory than to stand the test involved in a manner preventing that victory being converted into a serious reverse*". Those who do not believe *Nietsche* should remember the terrible military and diplomatic reverse resulting from the brilliant victories of the Entente Powers in 1918.

That the Great Powers now at war find it no easy matter to stand the test, not of victory only, but of the hope of victory — and indeed of their dreams of victory —, is shown by the present situation of the small peoples, a situation resembling that of the unfortunate inmate of a condemned cell. On all sides may be heard words of ill omen asserting that the independence of small peoples is already out of date — a mere superstition, antiquated and discredited —, and proclaiming that the small peoples should be simply divided among the Great Powers and devotiled into the respective spheres of influence of those Powers. An imperialistic idea dictated by a variety of imperialisms which would ruthlessly trample in the mire human dignity and European culture!! Strange enough that those employing the iron heel so ruthlessly should include also peoples which have not yet doffed the smock-frock of democracy!! *If a physically stronger people is able to do what it likes with a weaker people, it thereby dethrones culture and once more raises to power the laws of the primeval forest.* In such a forest death is the penalty of weakness. Can it be that so many young lives should have been sacrificed and so many families deprived

of their homes solely and exclusively for the purpose of relegating Europe to the cave-dwellings of primitive head-hunters?

*If the small peoples are put in chains, it is not by any means certain — is indeed not even probable — that those peoples will perish as a result of their being thus deprived of their rights; it is quite certain, on the other hand, that the Great Powers will cease to be cultured peoples.* Today it is the big nations that wield the keen sword of justice; but their eyes are dazzled by some sort of mirage. If they strike, they will decapitate, not the small peoples, but European culture. For Western culture must stand or fall with the small peoples.

It may be that those who wield the sword of justice are not aware of the dangers encircling them. Every great war sows the seeds of consequences never foreseen by any one. What demoniacal surprises may be expected to result from the second Great War? No one should for a moment imagine that after the war everything will return once more into the old groove, — or that the younger generation taking part in the battles fought with such savage cruelty will after the war return home meekly and demurely, prepared to pay their taxes regularly, to be loyal citizens and to spend their Sunday afternoons reading the Bible!! That we do not believe; we are however quite ready to believe that, *unless the world recovers its senses before it is too late, this fight will really be the last fought between peoples still deserving to be called Christian, cultured peoples.*

# THE CAUSES OF THE TENSION BETWEEN THE SCIENTIFIC WORLDS OF HUNGARY AND RUMANIA

BY

PROFESSOR LOUIS TAMÁS

The Editor of the periodical "*Termés*" has interviewed Dr. Louis Tamás, the eminent professor of Romance Languages in Kolozsvár University, concerning *the causes of the tension between the scientific worlds of Hungary and Rumania*. The Editor asked the professor also whether the objective procedure followed by Hungarian science — the disclosure in keeping with the facts of the past of the Rumanian people and the clarification of the facts showing the relations between the two peoples (Magyars and Rumanians) in the past — served to relieve the existing sentimental and political tension, or whether it was unintentionally leading to the opposite result?

"The basic cause of the antagonism existing in respect of the questions referred to — an antagonism which seems to be absolutely unbridgeable —", answered the professor, "is the regrettable fact that the majority of the Rumanian research students engaged in the work of exploring the history of the Rumanian people still show an endeavour to obtain results in keeping with the postulates of the so-called "Daco-Rumanian" ideology. This endeavour is by no means of recent date; for, already at the end of the eighteenth century, the Transylvanian Triad, the founders of Rumanian historiography and philology, seized avidly and with a definitely practical purpose on the memorials then available of the past of the Rumanian people. They created a national myth to embellish the intellectual history of the Rumanians then awakening to nationality and eventually to national consciousness; and at its very birth this myth became a political creed still serving as the main source of the Pan-Rumanian idea.

What those who proclaimed and propagated this myth were interested in, was not whether archaeological, historical, ethnological and linguistic truth is reflected in this "Daco-Rumanian" ideology; *they did not attempt to analyse it in the light of reason, but admitted it into their world of sentiment and strained every nerve to believe it.* That was why their faith could not be shaken even by Sulzer, who before the end of the eighteenth century attempted by adducing very weighty arguments to militate against the theory which regarded the Rumanians as the autochthonous inhabitants of Transylvania; for the Rumanians already insisted obstinately upon a system of humanistic teaching very favourable to their political aspirations. "Daco-Rumanian" ideology is therefore a national myth conceived in the original sin of political bias which has always played — and still plays — a powerful and decisive role in the development of the results obtained by Rumanian national science. Every Rumanian *savant* finds himself sooner or later faced with the following dilemma: — either of becoming an objective scholar accepting the international ethics of science or of accepting the dictatorship of "Daco-Rumanian" ideology and abandoning the strictly scientific attitude. *As the most productive and most passionate of Rumanian historians has said, "What business have I with truth, when it is a question of my country?"*

"Hungarian science, on the other hand, which has recently concentrated more and more on the work of exploring the past of our south-eastern neighbours, is engaged in inquiring into the past conditions, not only of the Rumanians, but also of all the neighbouring peoples, in a spirit entirely free of all ideological bias and of the strictest objectivity, methodically basing its conclusions on a mass of historical data which it spares no pains to accumulate. In this field there has been an intensive upswing, particularly in the last ten years. It is a characteristic fact that *the Hungarian research students use every endeavour to utilize all the results shown by Rumanian science which can possibly be turned to account, duly taking cognizance of and critically sifting the same and not adopting the convenient attitude of "Rumenica non leguntur"; whereas the Rumanian scholars*

very frequently simply ignore the works by Hungarian authors dealing with the questions which they happen to be discussing. And in innumerable cases it would be possible to point to the deliberate ignoring also of works by Hungarian authors which have appeared in Western languages. And, even when the Rumanians take cognizance of any Hungarian work, they usually also take care to pass over the most important arguments; polemical writings of the kind originating from Rumanian authors startle us by their excessive use of the methods of crafty propaganda, while at the same time revealing a complete lack of scientific methodicality and the entire absence of any systematic discussion of counter-arguments. Today it would appear quite impossible to expect Rumanian and Hungarian scholars — if necessary, through the medium of one or other of the Western languages — to co-operate whole-heartedly in discussing any of the problems of common interest to both peoples. To that end it would be necessary that the majority of the Rumanian research students too should reveal a readiness to accept arguments endorsed by scientific evidence and that scholarly modesty which is prepared to acknowledge the truth, even if that truth is discovered by some one else. However, the Rumanian science of today is on the contrary only too ready to initiate a campaign of extermination against every scientific truth — however clearly proved — which runs counter to the aims of Pan-Rumanian ideology, whether that truth is proclaimed by a Hungarian or by the son of any other nation. And the most absurd theories are greeted with boisterous acclamation if they appear suitable to support the national aspirations of the Rumanians. Any one who, for instance, speaks in favour of the "continuity" theory, immediately and unconditionally achieves popularity among the Rumanians, who ask no questions about his scientific qualifications or his competence. Critical statements are veritable "*rarae aves*"; but such statements are not permitted anything like the publicity accorded to desultory observations in keeping with the desires, feelings and instincts of the masses.

"All in all, the fact may be established that at present there are insurmountable obstacles in the way of an elimi-

nation of the tension existing between Hungarian and Rumanian science. Rumanian science shows no appreciation whatsoever for the endeavours of Hungarian scholars to scientifically disclose the past of the Rumanian people, but on the contrary regards the activity of those scholars as work undertaken with the object of demolishing the Rumanian national myth. That is naturally the view taken by Rumanian society too, which already in the elementary schools imbibes the traditional elements of that myth. We cannot however abandon the work of inquiring into the past of the Rumanian people; for Hungarian science regards it as its traditional duty to study scientifically and without bias the peoples living in symbiosis with the Magyars and the neighbouring peoples, and to inquire into every manifestation of life of those peoples, into their past and their present. *Sincerely as we may regret that the Rumanian national myth contains many elements which the searchlight of scientific research proves to be nothing more or less than false illusions, we cannot possibly for that reason — whether we regard the matter from the Hungarian or from the general scientific point of view — refrain from including the Rumanians too among the subjects of our objective research, —* particularly if we accept as correct the thesis that the best way to acquire a sincere respect for one another is that marked out for us by the lessons of one another's *true* history. Now, it is extremely difficult to co-operate with those who withdraw to the seclusion of the ivory towers of ideologies that have been stereotyped into dogmas. And that is particularly regrettable in view of the fact that in Hungarian and Rumanian history there are innumerable points of contact the conscientious clarification of which is the bounden duty of the science of both nations alike. Rumanian science has apparently not yet awakened to a consciousness of its European mission, refusing obstinately to shake off its heritage of chauvinism; it still lacks the courage to look the truth in the face. It feeds on the idea of a past invented by romantic enthusiasm which would appear to exercise a great educative influence over the nation, so that every Rumanian is fain to believe in its being the only means of salvation. The sporadic attempts to induce the Rumanians to adopt a more

rational outlook on history have all been doomed to a lamentable end as the result of the savage attacks launched against them. Yet there have been Rumanian scholars who, for instance, have declared that the possession of Transylvania does not depend upon whether the "continuity" theory is correct or not.

"If we were to refrain from studying the Rumanian past — in particular in connection with Transylvania —, that would mean that we too tacitly acknowledged the dictatorship of "Daco-Rumanian" ideology. Now, we can never do that, even if our refusal to do so induces nervousness in many quarters on the other side of the frontier. That is not our fault. *We do not wish to excite any one; what we wish is to be able to live a free scientific life in keeping with the international ethics of science. We are at all times ready to accommodate ourselves to the ethics of international science; but we are not prepared for the sake of any one to overlook fallacies when engaged in scientific work, — particularly when those fallacies are exploited to consistently misrepresent Magyar-Rumanian relations, that being done always at the expense of the Magyars.*

"There can be no doubt that in most cases — though through no fault of ours — a clarification of the facts of Hungarian-Rumanian history is not likely to induce a relief of the existing political and sentimental tension. It must however be added that this tension is only in a very trifling measure to be attributed to the serious scientific works written exclusively for the purpose of revealing the truth. This tension is to be ascribed to the activity of those writers — in many cases incompetent, ignorant and malicious writers — who remove the problems discussed by them from the field of science and degrade them to the position of political instruments."

# THE RAISON-D'ETRE OF SMALL NATIONS

BY

LOUIS KARPATY

**W**hen we examine the development of the formation of peoples into nations, we see that the advance of peoples to the status of nations follows absolutely naturally and logically as a stage in the process of evolution. The system of feudalism which every European people lived through, led sooner or later inevitably to the formation of a bourgeois national existence. Under the feudal system the political nation was composed of only a small group; whereas in the bourgeois national form of life the whole nation constituted the political nation. And, when we take into account the sociological foundations of development, the advance to the status of nation ensues in the same way in the life of all peoples, whether the nation in question comprises 100 or 2 million or even only a few hundred thousand individuals — and is entirely independent of whether the nation is a small or a big one. *From the point of view of historical philosophy or of sociology small peoples cannot possibly be denied the right to national existence or to national independence.* To this they are just as fully entitled as are the nations numbering many millions. And, in the event of their being deprived of this right, they will not feel secure until it has been restored to them or until they have recovered it. They will even risk extermination in their determination to fight for their rights and for their national independence.

The lessons of history, therefore, teach us that, if Europe desires to safeguard the tranquillity of its future, it must show just as much energy in ensuring the rights of the small peoples as in defending those of the big nations. Not one of the small nations is prepared to sacrifice itself for utilization as means or material for building up the future of any of the big nations.

If we survey the extensive zone of small nations stretching from the Baltic Sea to the Egean, and remember these facts, we cannot fail to observe that there are serious internal troubles disturbing the surface of this mighty territory. For this zone embraces several small nations which, while engaged in a struggle for the preservation of their own national independence, at the same time deny their neighbours or their sister-peoples the very right for the vindication of which they themselves are struggling might and main. The Czechs, for instance, deny the right of the Slovaks, one of the small peoples of Central Europe, the right to an independent national existence. *The Czech consciousness betrays an unheard-of contradiction; what in their own case they regard as a sacred right, the Czechs brand in the case of the Slovaks as aggression and political depravity.*

It will be worth our while to retrospectively survey the relations between Slovaks and Czechs. The Slovaks were enticed to join in the formation of the fictive State given the name of Czecho-Slovakia — already prior to the first Great War — by specious promises of equality of status. Under the so-called Pittsburg Convention the Czechs undertook an obligation to grant the Slovaks autonomy. That autonomy was never granted to the Slovaks. Instead, the Czechs would fain have persuaded the Slovaks to abandon certain tokens of their ethnic individuality and to consent to absorption in a non-existent Czechoslovak nation. The Czechs, on their part, refused to renounce one jot or tittle of their ethnic structure or their national character in the interest of the so-called Czechoslovak nation. *As a consequence, the absorption of the Slovaks in the fictive Czechoslovak nation would have involved their assimilation by the Czechs. The consciousness of their smallness made the Czechs so anxious to augment their national body by the addition of the Slovaks that they are not prepared under any circumstances to renounce their claim to that people and obstinately refuse to accord the Slovaks what they themselves received as a result of historical development.*

Already at the very outset this attitude on the part of the Czechs divided the "Czechoslovak" refugees into two hostile camps. On the one side stand the Slovaks, under the

leadership of *Hodzha* and *Osshusky*; and on the other side stand the Czechs, under the leadership of *Beneš*. *Hodzha* and *Osshusky* are not prepared to renounce the rights of the Slovaks to the forms of an independent national existence; and as a consequence, *Beneš* regards both Slovak politicians as arrant traitors to the Czechoslovak cause. *Their crime is that they refuse to accept as a real fact a mere fiction, — the fiction of a "Czechoslovak" nation.*

If only a political principle were involved in this Czechoslovak fiction, *Osshusky* and *Hodzha* would not oppose *Beneš's* Czechoslovak imperialism. *Beneš* would fain exploit "Czechoslovakism" as a means of propaganda primarily to influence the Allied Powers. For the whole Czech question wears an entirely different aspect in the case of a Czech nation of only some 6-7 million souls than it does in that of a "Czechoslovak" nation raised to the strength of 8-9 millions by the addition of the Slovaks. *This is why Beneš clings at all costs to the fiction; for it would create the impression of a bigger unit.* On one occasion in the past — in 1936, i. e. during his term of office as Foreign Minister — *Beneš* toured the Slovak towns and delivered addresses to the Slovaks on "Czechoslovakism". He endeavoured to exploit the spell of greater numerical strength for the purpose of prevailing upon them to accept "Czechoslovakism". He pointed to the Germans, a nation of seventy millions, and to the Russians, a nation of a hundred and seventy millions, in order to convince the Slovaks of the importance of numerical strength. At the same time, however, the Czechs treated the Slovaks ruthlessly in economic matters too. Had the acceptance of "Czechoslovakism" involved only the acceptance of a political thesis, the Slovaks would have taken the bait. But much more was at stake. The Slovaks were expected to renounce their economic possibilities also in favour of the Czechs. *The latter closed down the factories in Slovak areas which had been established by the industrial policy of the Hungarian Governments of pre-War days. The sequestered Magyar estates were allotted primarily to Czech owners of residue estates and to Czech settlers. The development of the Slovak towns was impeded.* In a word, everything was done to prevent the material development of Slovak national life. That is the prime cause why it will never

be possible to persuade either the Slovak people or the Slovak leaders now in exile to again accept the "Czechoslovak" fiction. In "Free Europe" Ossushky recently wrote an article entitled "Small and Big Nations" in which he protested against the application after the War of the policy of so-called "spheres of interest". He demanded for the small nations the same rights as those claimed by the big nations. He warned small nations to agree among themselves and to unite for the purpose of ensuring greater weight in an alliance or confederation. During the twenty years of Czecho-Slovakia's existence Ossushky, Czecho-Slovak Minister in Paris, consistently opposed Beneš's "Czechoslovakism". Hodzha condemned the imperialism of the Czechs, not only in its bearings on Czech-Slovak relations, but also in its bearings on relations with Hungary. He attributed the fall of Czecho-Slovakia primarily to the annexation also of Magyar areas and large masses of persons of Magyar race.

Not only the northern half of Central Europe has its "Czechs"; there are such in Southern Europe too. We mean the Serbians. *The Serbians enforced their own "Czechoslovakism" — called by them "Yugoslavism" — at the cost of two small Balkan peoples, the Croatians and the Slovenes.* They would fain force the Croatians and the Slovenes to accept non-existent "Yugoslav" forms, — their object being the same as that of the Czechs in their dealings with the Slovaks. The course of development here too has proved that the Slovenes and the Croatians are not prepared to renounce either the economic or the cultural substance of their national forms of life in order to serve as mere tools for the realization of pan-Serbian aspirations. During the whole period of its existence Yugoslavia was the scene of continual internal disturbances. After the lapse of twenty years — exactly at the time when as a result of the Munich Convention Czech-Slovakia offered the Slovaks a form of federation — the Yugoslavs attempted to come to an agreement with the Croatians. But neither Czecho-Slovakia nor Yugoslavia proved able to ensure its existence even in the form of a confederation. The Yugoslav-Croatian Compromise, brought into being on the Croatian side by Maček, did not ensure the Croatians anything like the rights accorded them under the

Hungarian-Croatian Compromise of 1868. Yugoslavia, therefore, continued on the path of dissolution, until finally it broke up into two States — Serbia and Croatia. The antagonisms between Croats and Serbs are unbridgeable. This is proved also by the story of what has so far happened among the so-called Yugoslav exiles. Yugoslav Governments are being formed one after the other, and they are seen to fall in rapid succession. *The "Yugoslav" fiction fails to satisfy the Croatian and Slovene refugees.* Their twenty-years' experience has taught the Croats and the Slovenes to understand the true meaning of the aspirations of the Serbs. So far the story of the "Yugoslav" Governments in exile has been a story of a struggle of every one against every one else. The Allied Powers have had — and still have — opportunities galore to observe at first hand the fictive value of the "Czechoslovakism" and "Yugoslavism" which after the first Great War they had regarded as suitable foundations upon which to build up the security of the Danubian area.

OSZK

Országos Széchényi Könyvtár

# THE MEASURES TAKEN IN RUMANIA FOR THE ADJUSTMENT OF THE PROPERTY OF THE FORMER RUMANIAN DENOMINATIONAL SCHOOLS

BY

DR. LADISLAS FRITZ,  
JUSTICE OF THE SUPREME COURT

**A**t the meeting of the Hungarian House of Deputies held on November 17th., 1943, *Count Béla Teleki*, President of the Transylvanian Party, addressed a question to the Hungarian Government *in re* the grievances of the Magyars of Southern Transylvania, *inter alia* complaining that the Rumanian Government *had closed or withdrawn the permission to function respectively of three Magyar denominational schools in Southern Transylvania, — viz. the Nagyenyed Bethlen College, the Brassó Reformed boys' commercial middle-school (and the commercial courses for girls arranged in that school) and the Brassó Reformed girls' gymnasium (grammar-school).*

In his reply *M. Eugene Ghyczy*, Foreign Minister, stressed that the background of this measure taken by the Rumanian Government was the circumstance that in the areas wrested from Hungary in 1919 under the Treaty of Trianon and annexed to Rumania (Transylvania, the Banat and the Körös region) the Rumanian Government had in 1920 nationalized denominational education in the Greek Oriental (Orthodox) and Greek Catholic (Uniate) schools, that being how things stood when, as a consequence of the Second Vienna Award, the Hungarian Government took over the territories of Northern Transylvania restored by that Award, — a situation which the Hungarian Government had then continued to maintain in force. The Rumanian Government had however formulated the demand that the Hungarian Government should introduce Rumanian denominational

education in Northern Transylvania. The Hungarian Government having declared that it was not prepared to comply with this demand, *the Rumanian Government resorted to the retaliatory measure referred to in the question now under discussion and closed three Magyar denominational schools in Southern Transylvania.*

In this connection special interest attaches to a law (*DECRET-LEGE*) just promulgated in No. 257 (November 2nd., 1943) of the Rumanian Official Gazette (*Monitorul Oficial*) *relative to the adjustment of the legal status of the property of the former Rumanian Orthodox and Greek Catholic (Uniate) denominational schools which have been nationalized* (Decret-lege pentru reglementarea situației juridice a bunurilor fostelor școale confesionale ortodoxe române și româno-unite statificate). We would offer a few observations relating to the essence of the question in connection with our analysis of the decret-lege and the Preamble prefixed to the same.

The Decret-lege declares that "*all the property of the former Orthodox and Greek Catholic denominational elementary schools in Transylvania, the Körös region and the Banat (Transylvania, Crișana și Banat) which after 1919 became State schools, belongs and shall continue to belong to the respective Rumanian Orthodox or Greek Catholic church community. This property (bunurile) shall continue to serve to cover the requirements of the State elementary schools during the whole period during which those schools continue to function*". The Decret-lege ordains further that "these assets (bunurile) shall be registered — whether *ex officio* or by request of either of the interested Parties — in the name and as the property (cu titlul de proprietate) of the church community concerned, the right of usufruct (dreptul de folosință) for the purposes of the Rumanian elementary schools being reserved to the State". A further provision of the Decret-lege stipulates that "*the parishes shall — in conformity with the legal obligation to provide for the material assistance of elementary education — as from April 1st., 1943, be required to include in the relevant section of their Estimates subsidies to serve the purposes of the State elementary schools using property of the Orthodox or Greek*

Catholic church parishes". For the fixing of the amounts of these subventions the Decret-Lege provides for the establishment of Mixed Commissions to consist of one representative each of the Transylvanian Metropolitan, the Ministry for the Interior and the School Fund (Casa Școalelor) which are to function at each of the regional School Inspectorates (inspectorat școlar regional). And, finally, the Decret-lege contains another important provision stipulating that "simultaneously with the promulgation of the present Law *all suits in process* — no matter before which forum — between the several units (unități constitutive) of the Orthodox or Greek Catholic Churches of the one part and the Ministry for National Culture and Public Worship (Ministerul Culturii Naționale și al Cultelor), the School Fund (Casa Școalelor și a Culturii Poporului), the School Commission (comitetele școlare) or individual parishes of the other part, *shall be declared as suspended without costs of litigation or indemnification obligations originating from a previous period being payable*".

According to the Preamble of the Decret-lege, "prior to the Union, in the areas detached from Hungary, Rumanian elementary education (invățământul primar românesc) was exclusively denominational in character (era pur confesional), having been maintained by the Orthodox and Greek Catholic Churches. These schools were provided by the Churches with premises, school gardens and the necessary educational equipment. Although these assets serving the requirements of Rumanian education formed Church property (proprietatea bisericii), many of them were nevertheless *by mistake* (din eroare: !?!) registered in the land register, not in the name of the Churches which were the real owners, but in those of institutions not possessing the status of fictitious persons such as, for instance, the Rumanian Orthodox denominational school or the Greek-Catholic Rumanian school fund, etc. As a consequence, instead of the items of property being registered in the name of the owner, in keeping with a practice generally followed only the object (afectatiune) of those items has been designated. *After the Union the Rumanian State in 1919 undertook (a preluat) the management and maintenance of Rumanian elementary education in the*

*annexed areas, replacing denominational by State teaching.* As a consequence of the *errors* (!!) committed on the occasion of registration in the land register the assets employed for the purposes of the former denominational schools — as a result of the nationalization of elementary education — gave rise to a whole series of complications and to a state of chaos due to the fact that certain organs of the Ministry for National Culture and Public Worship (Ministerul Culturii Nationale și al Cultelor) believed that as a consequence of the nationalization of education the State had become the owner of the property serving the purposes of the former denominational schools. There ensued such a maze of errors and such chaos that certain courts permitted the registration of these items of property in the name of the State, while at the same time other courts in most cases rejected the applications for similar registration on the ground — a ground fully supported by evidence — that the State was unable to show any evidence proving its right of ownership. Finally, some of the courts of law accepted the pleas of the church parishes, rectified the errors committed in the course of registration in the land register and provided for the registration of the items of property in question in the name of the Orthodox Rumanian church parish concerned instead of in that of institutions — “Orthodox Rumanian School Fund” (Fond școlar ortodox român) or “Orthodox Rumanian Denominational School” (Școala confesională ortodoxă română) — not possessing the legal status of fictitious persons. “It should be noted” continues the Preamble — “that of the suits in process for more than 15 years between the State and the Church not a single one was fundamentally (in fond) settled by the respective courts of law, all that was done being to effect a rectification (rectificării) of the entries by summary procedure (pe cale sumară) as prescribed by the regulations relating to land registry. Today there are still a number of cases pending settlement before the Supreme Court of Appeal (Inalta Curtea de Casație) submitted to that Court as a consequence of appeals either by the State or by the Church. Therefore” — these are the concluding words of the Preamble — “in order to put an end once for all to the contradiction originating from a *profound error* (din eroare profundă) and

to the disputes between the State and the Church so injurious to our people, it became necessary to draft the present Decret-lege, which is intended to adjust the legal status of these items of property in a manner which, while providing that the Church shall be reinstated in its rights of ownership, on the other hand the State shall not suffer any injury owing to its being unable to enjoy the usufruct of the real estate required for the large number of schools".

We consider it necessary to make a few observations respecting this Rumanian Decret-lege. In the first place the fact may be established that the Law is closely connected with the diplomatic negotiations which — according to the statement made in Parliament by the Hungarian Foreign Minister — are being carried on between the Hungarian and Rumanian Governments in the matter of the Rumanian denominational schools, which it is evidently intended to influence. The Rumanian Government is manifestly anxious to utilize this Decret-lege — an enactment of an undoubtedly political character — to prove that the real estate serving the purposes of the Transylvanian Rumanian denominational elementary schools nationalized by the Rumanian Government in 1920 does not constitute State property and is therefore not the property either of the Hungarian State which is the legal assign of the Rumanian State, but was — and is — the property of the Orthodox and the Greek Catholic Churches respectively. It attempts to attribute to an "error" the rulings of the courts in the disputes arising in the matter of ownership; whereas the real root of the matter was not an "error", but an arbitrary action on the part of the Rumanian Government, which by a simple stroke of the pen put an end to Rumanian denominational elementary education and placed that education in the hands of the State. This act of nationalization was branded at the time in the Rumanian Parliament — in words that did not by any means mince matters — by representatives of the Orthodox and Uniate episcopal benches of Transylvania.

But the Decret-lege injuriously affects also the Magyar national minority living in Rumania; for, though suspending all suits relating to the school property and declaring that these items of real estate from the property of the Rumanian

Orthodox and Rumanian Greek Catholic Churches respectively, *it at the same time fails to restore the property of the Magyar denominational schools transferred to the State under all kinds of pretexts and on the basis of similar "errors"* As a consequence of the "zeal" displayed by Professor Onișifor Ghibu large numbers of schools maintained by the Roman Catholic "Status" of Transylvania and by the Reformed Church of Transylvania are still suffering the effects of the loss of very considerable items of real estate of which they were deprived by a simple "rectification" of entries in the land register. However, the Decret-lege contains no provisions relating to this matter. Equally injurious to the interests of the Magyar national minority living in Rumania is the provision of the Decret-lege which charges the budgets of all parishes as from April 1st., 1943, with the payment of subsidies for the benefit of the Orthodox and Greek Catholic church parishes to be used for the purposes of real estate employed as elementary schools. This is nothing more or less than the exaction from the Magyar inhabitants of parishes of a Magyar character or with Magyar majorities of contributions illegally levied for the benefit of the Rumanian Churches, — one of the series of Rumanian measures and Rumanian chicaneries to which as Count Béla Teleki explained in his question submitted to the House of Deputies on November 17th, 1943, the Magyars of Southern Transylvania are being constantly subjected by the Rumanian Government.

## NEWS FROM CROATIA

by

IMRE PROKOPY

Quite recently several statements have again been made by official factors reflecting the ideas of the present leaders of Croatian political life and their attitude towards certain important questions of domestic and foreign policy. We publish below, for the information of our readers, abstracts from some of these statements and declarations, which are of great interest from several points of view.

On October 17th. Matija Kovačić, Croatian Propaganda Minister, broadcast an exhaustive address on the internal political questions of the Croatian State. "*The most important task facing the Government*" — he said — "*is that of annihilating with the least possible delay the hostile forces endangering the peace and security of the country... The partisans and Chetniks are endeavouring to ruin the independent Croatian State and to subjugate the Croatian people to the Serbian or Communist yoke. The agents of London and Moscow have however succeeded in winning the support of only 10% of the Croatian people*". Practically only morally depraved persons had left their homes and families and joined the ranks of the partisans. "The Poglavnik" — he continued — "offers a general amnesty to all those who abandon the forests and return to Croatian public life. This general amnesty applies also to partisans belonging to the Greek Oriental (Orthodox) Church".

Kovačić then described the life of the Soviet peasantry and established that no person of common sense with a knowledge of conditions in Russia could possibly advocate the Soviet system. . He called the attention of the people also to the circumstance that *the partisans were fighting, not only against the Ushtasha organizations, but also against*

*the Members of the former Croatian Peasants' Party, who had not yet taken their places in public life or adjusted themselves to the new order . . . In his opinion the men who held sway in the forests and mountains were all Serbians; and for that reason he summoned all the insurgents of Croatian and other non-Serbian nationality to return without delay to their families and their homes. Those who defied the summons and continued to lurk in the forests, would be mercilessly shot. "We shall" — continued the Minister for Propaganda — "call to account also those who in any way assist the partisans and Chetniks. We shall exterminate all those who by day live in the villages in the guise of peaceful citizens and in the night are engaged as insurgents blowing up bridges, tearing up the permanent way of the railways and setting fire to villages."*

Here we would note, by the way, that in terms of a recent Order in Council not only the persons actually making the various attempts, but also their accomplices and all accessories too, will be condemned to death. *According to § 5. of the Order in Council the members of the family of the person making the attempt — his parents, his wife and his children too — may be called to account, if it can be ascertained that they had knowledge or at least should have had cognizance of the criminal activity of their relative.* Three kinds of protective measures are enumerated, — death either by being shot or, in more serious cases, by hanging; confinement in a labour camp; and, finally, confiscation of property.

Special interest attaches to the following passage from *Kovačić's* broadcast: — "In foreign countries there are persons who insinuate that the eastern half of Bosnia and Herzegovina will eventually be taken from Croatia, while others again talk of a part of Dalmatia being eventually given to Serbia. These false rumours should not mislead any one. We know that there are people who would like us to lose the whole of Bosnia and Herzegovina — and indeed Dalmatia too —, and who would fain see the rest of our country destroyed. Let these people remember, however, that *our frontier is the Drina, and that we shall never again lose this frontier demarcated by Nature herself.* Croatian law

originated on the shores of the Drina; that is the source of the unyielding power and will of the Croats. It is in the interest of the Serbs living in our country too that this frontier should remain unchanged."

The Propaganda Minister then declared that *Tito and Drazha Mihaylovitch were the two greatest criminals in the Balkans*. He emphasised, further, that Russian Cossack troops were already fighting in the Balkans against the partisans and the Chetniks. Finally, he called upon the Croatian people not to allow itself to be cajoled by foreign propaganda, but to place itself unreservedly at the service of the independent Croatian Fatherland. (*Croatian papers and "Délvidéki Magyarország", October 19th., 1943.*)

On November 12th. the *Zagreb Ushtasha* organization held a meeting attended also by the Members of the Croatian Government headed by the Prime Minister, *Nicola Mandić*. At the meeting a long speech on the Croatian partisan movement was made by *M. Makaneč*, Minister of Education, who declared that according to all the data and proofs at his disposal this movement had been originally initiated in foreign countries. *Bolshevism was the hothouse of the partisan movement. The partisans had been introduced into Croatia by Bolshevik Serbs and Marxist Jews who hoped thereby to achieve their objects*. In the name of the Croatian people he could however assure the whole world that it would be easier for the Save, the Drava and the Danube to flow back towards their sources than for Marxist ideas to take root in Croatia. *Makaneč* then spoke of the State-building capacity and determination of the Croats, laying stress upon the fact that in April, 1941, when he staged the Ushtasha revolution, *Pavelić* was supported, not only by his own Ushtasha adherents, but also by the Members of the Croatian Peasants' Party headed by *Maček*. Indeed, it was Members of the *Maček* Guard that disarmed the Yugoslav soldiers and made it clear to the Croatian people that the revolution then in progress would result in vindicating the liberty and independence of Croatia.

"And those persons" — said *Makaneč* in conclusion — "who assert that the Croatian people is divided into factions and does not stand united behind the Head of the State.

Pavelić, make that assertion solely for the purpose of trying by dint of duplicity and machinations to bring about a disunion — and thereby the ruin — of the Croatian people."

Great interest attaches also to the words of Ante Vokić, Croatian Minister for Communications, addressed to a meeting of Croatian railwaymen held at Zagreb in the middle of November in which he dealt with the situation of the Croats within the framework of the Yugoslav State. He established that the conditions under which the Croats lived in the Kingdom of the Serbians, Croats and Slovenes — which in the autumn of 1929 was re-christened and called Yugoslavia — were exceptionally grave in character. The State authorities, the military commands and the schools had all strained every nerve to deprive the Croats of their national character and convert them into Yugoslavs... *"To the terror coming from above we replied with terror coming from below. That was the object of the Ushtasha movement."*

"Ten years ago" — said the Minister — "at the time when the members of the Ushtasha movement initiated a smallscale armed action in the Velebit mountains — what the Croats desired was that *Croatian rifles should be used by Croatian soldiers and that the money in Croats' pockets should be Croatian money. Both these wishes have been converted into reality by the Poglavnik and the Ush-tasha movement...*"

Vokić then read excerpts from a partisan newspaper and described articles written by Tito and some of his lieutenants, from which it may be seen that *the Chetniks and the Communist partisans as far back as the days of Yugoslav rule were engaged in making preparations to settle accounts with the Croatian people, to establish a Greater Serbia and to exterminate the Croats.* "Tito" — continued Vokić — "did not take his men to Serbia to set fire to schools and churches there, — to murder children and adults there —, but that is what his men are doing in Croatia, their object being to ensure there being as few Croats as possible living in the world".

In conclusion the Minister addressed words of encouragement to the railwaymen and stressed that in the territory belonging to the sphere of jurisdiction of the Management

of the Serajevo Railroad — where from the outset the partisan and Chetnik menace had been most serious — of 15,000 railwaymen only two had fled to the forests and enlisted as partisans. "I do not insist" — said the Minister — "that you should all join the Ushtasha organization; I would merely remind you that *it was the Ushtasha movement that created the independent Croatian State, and that it is this movement that is predestined to undertake the work of maintaining that State and safeguarding its future.*" (Croatian papers and "Délvidéki Magyarország", November 15th—16th., 1943.)

OSZK  
Országos Széchényi Könyvtár

## PREMIER NICHOLAS KÁLLAY'S SPEECHES DURING DEBATE ON ESTIMATES

A speech delivered by Premier Nicholas Kállay opened the debate on the 1944 Estimates which started on November 12th.; and on the same day he replied also to the speeches made during the debate on the Estimates of the Prime Ministry.

In his opening speech the Premier *inter alia* made the following statements: —

“For my part I would merely declare that we are pursuing unchanged our traditional foreign policy — the only foreign policy in keeping with the interests and the honour of the nation, and that we continue to hope that thereby the struggle now being waged will end with a victory of our arms and our ideals. However trifling a plaything we may seem to be in the struggle of the Great Powers of the world, — a mere speck of dust in the mighty dimensions of that struggle —, our fate, I believe and profess, lies largely in our own hands. That is why I am struggling and worrying and not allowing myself to be dragged into decisions which, though convenient perhaps and simplifying the situation, are all the more calculated to lose sight of or to jeopardize the nation. *I refuse to budge an inch from the only safe and honourable rocky foundations, the only true path of the Hungarian idea, of Hungarian aims and the Hungarian future.*”

“Three things are needed to enable us to remain on this path, — first, a realization of the fact that sooner or later we may find ourselves in the focus of the three Great Powers fighting in Europe; the military forces of the German, Russian and Anglo-Saxon worlds are drawn up around us, and the great conflict is approaching us on every side. But the psychic and spiritual influence of our enemies may affect us too; the “was of nerves” has already become a household word everywhere and may easily impress those who are easily impressionable. We cannot dream of defying these

colossal armed forces out of our own resources; all the more essential is it, however, that hostile propaganda and foreign influence should not disrupt our unity, affect the clarity of our vision, introduce a spirit of defeatism among us. It is the duty of the political leaders of the country to take due account of these unmistakable facts and to prepare the country in every respect to meet the danger.

"The second essential postulated by the present situation is that *we should increase to the utmost possible measure, with the aid of the forces at our disposal, our military preparedness*; it is our duty to spare no sacrifice or effort to enable us to achieve that end. For, although I herewith solemnly declare that *we do not entertain any aggressive ideas whatsoever, we shall nevertheless — and let the whole world take cognizance of the fact — defend our frontiers*; that is a point on which we shall never yield; that is a point which cannot be made the subject of political consideration or even a question of military capacity: it is a national duty, a question of "to be or not to be". Provocation would be mere foolish bravado; and it would be equally foolish and reckless not to economize our forces to the utmost possible measure: but those are cowardly and abject traitors who refuse to defend our frontiers, our country and our liberty, — who in such an event were even to weigh the odds of forces and to appraise possibilities. No one should imagine that this task can be done for us by any one else. This is our duty, and cannot be the duty of any one else. These are then the two great facts which must be fully realized by the nation, — two things for which we must be prepared and which will decide our fate.

"The third essential providing any possibility whatsoever of this decision being a favourable one, is *the maintenance and securing under all circumstances of our own internal order*. The decision of the two great questions referred to above does not rest solely and exclusively with us. *In the first — the conflict of the Great World-Powers — militarily we can have nothing, and politically very little, to say*. But that little too will become nothing, and our existence and our fate as Hungarians will be decided against us and without consulting us, if in the third essential — internal order —

we fail to ensure our nation, the Hungarian future, the possibility of showing at the time when the settlement of the conflict comes intact political, military, economic, social and spiritual forces enabling the country to face the chaotic problems of Central Europe and assert its own will and make its voice heard.

"Should the gigantic conflict of the Great Powers sweep us out of existence, or should we be attacked by forces numerically so superior that even the greatest Hungarian heroism must fail to cope with them, we may be exonerated in our own eyes and in those of the world generally. But if the factor mentioned third by me — our internal order — fails to work and we thereby aggravate our situation and deteriorate our prospects, — if that decides our fate against us and if we ourselves renounce our life, — *then there will be no excuse for us, no indulgence shown by the tribunal of Hungarian history towards this present generation, It will be impossible to urge in exoneration even that we could not have known what was going to happen — that we could not have known that this would be the issue; for the warning example of 1918 — of the rising to power of disunion, cowardice and meanspiritedness — once already showed that that too is possible — that what we never imagined was possible could ensue. That situation must never recur. I myself shall use all the strength and the resolution given me by God to prevent such a recurrence*".

### *Premier Kállay on the Nationality Question*

In his reply to the various speeches the Prime Minister energetically protested against the charge of inconsistency.

"A few weeks ago" — he said — "I consented to the publication in print of my speeches. I did so in the consciousness that I was thereby offering far greater opportunity for a comparison of my work of more than eighteen months and of the various statements — drafted with the utmost scrupulousness — made by me during that period; but in my first speech, in which I said that we had to take an active armed part in this campaign, I was unable to insert the statement that I had taken over a *fait accompli*, — a fact

well known to you all. And the whole House must also be fully aware of the proportion of *that army of 300,000 men* which we lost, — must be conscious of the fact that we lost practically the whole of our equipment, — *facts from which it was my duty to my conscience und to my sense of obligation as a Hungarian to draw conclusions.* It is events that have changed. I cannot bring myself to declare that the second Hungarian army — all that was sent there by us — must be thrown into the struggle in which — and that is my firm conviction — the fate of Hungary will in large measure be decided; for in the speech made by me today too I have declared that we should not for a moment imagine that any one will defend us. *We are a mere speck of dust in the gigantic struggle; but in our own struggle we need all the forces at our disposal.* And those I am placing in reserve. The contradiction is therefore only an apparent one."

Later in his speech the Prime Minister continued: — "I would now proceed to deal with the grave and important questions which have engrossed the interest of us all — questions with which the House has dealt most intensively. The first of these problems is the nationality question. From my first appearance before the House — last year, in the statements made by me at Ungvár and the other day at Huszt — I have endeavoured to outline Hungary's nationality policy. In all these declarations of mine I have always emphasised the grandeur of the Hungarian State system in *being able to exercise control and rule over a nationality country*, to enlist non-Magyar nationalities in the national work and *to assimilate* nationalities — never by compulsion, and indeed showing a decided aversion to the use of compulsion.

"Respecting the question of retorsion, I would make the following observation. That same mentality throws obstacles in the way of a policy of unrestricted retortion. *That I should bully my own fellow-citizen because the other mand maltreats my fellow-Magyar, is absolutely out of keeping with the Hungarian intention and the Hungarian idea, — with our nationality policy: but in default of other means this too must be resorted to.* It is an expedient *which I endeavour to avoid, making every effort to prevent such measures being taken;* but, if compelled to adopt the expedient, — *if driven to*

*resort to this to my mind — I would repeat — incorrect means —, I do so, not for considerations of nationality policy (God forbid!), but simply for the purpose of endeavouring thereby to alleviate the bitter and atrocious sufferings inflicted in South Transylvania, particularly on our racial brethren. — simply for the purpose of doing something to improve their lot.*

"I have used the word "assimilation". I cannot cenceive why the Germans of Hungary at times speak so disparagingly of the matter, or why they appear to regard it as a problem of the nationality question not at all to their liking? In the first place, I cannot find in our historical past any sign whatsoever of active assimilation; for in this connection the fact must be established that *the German elements in Hungary which have become assimilated are primarily members of the intelligentsia, not the masses.* Those elements have become assimilated, therefore, upon which no pressure of any kind could be brought to bear. This assimilation is a remarkable manifestation of that Magyar power of attraction which created and has maintained this State. *We Magyars are the only elements entitled to struggle against this process; we might justly say that we are not prepared to allow non-Magyars to enter Magyar life or to grant them high offices. We might say that we will not allow these non-Magyars to occupy the positions we ourselves need. But that is not how we Magyars think.* To those who are here and live among us, everything is open that is open to every Magyar.

"That is the difference in attitude between us. I see no trace of assimilation among the lower classes. In the case of the Calvinistic Slovaks and of the oft-stressed crowds of persons with Magyar names in Transylvania who today belong to the Greek Catholic (Uniate) or Greek Oriental (Orthodox) Churches — in a word, to the Rumanian Church — for I know many fine Magyars belonging to both the Uniate and the Orthodox Churches and I should not like my words to be misunderstood —, there are no traces of Magyar assimilation. On the contrary. And this too has its historical reason. It is connected with the development of the noble class (Estates). Admission to the order of nobility exercised an attraction of its own; and that was the cause

of the assimilation: and there is no truth in the allegation of those who assert that we oppressed our non-Magyar nationalities, — the Slavs and the Rumanians. Nothing of the kind; the lower classes of those nationalities were excluded from the order of nobility in exactly the same way as our Magyar peasantry. Like the latter, they too had no share in the brilliant side of life, which was reserved for the nobility. I do not wish to draw any conclusions now from this fact, — merely to reduce the question to the establishment of facts.

*“Nor could I conceive of the future of the Germans of Hungary otherwise than on the basis of a revision — in absolute friendship and in the spirit of a common mentality and outlook on life resulting from many centuries of symbiosis — of these standpoints. We have no desire to assimilate. But we shall in the future too gladly welcome the co-operation of all willing to collaborate with us.*

“There are of course difficulties and hitches in respect of our treatment of our non-Magyar nationalities. This is due in reality to two fundamental circumstances. In the first place, large blocks of these nationalities returned to us during the present Great War and are now comparing the conditions under which they lived in pre-War days with those now prevailing in Hungary. They do not realize that this is how things stand everywhere in the world — maybe the matter does not even interest them; their simple, primitive logic tells them that the “Bata shoe” era was better than the present. That is no fault of ours. To my mind this is one of the causes of the trouble. However, if we survey the complaints put forward by our non-Magyar nationalities as a whole — as I have done —, we cannot but realize that the matters at issue are only of a trifling character.”

## POLITICAL MOSAIC

### SPEECH OF PREMIER NICHOLAS KÁLLAY AT UNVEILING OF HUSZT AND KASSA WAR MEMORIAL

The whole population of Subcarpathia participated in the manifestation of Magyar-Ruthenian fraternity and fellow-feeling symbolized in the solemn ceremony attending the unveiling at Huszt, in the ancient Crown Ward, on November 7th., by Premier Nicholas Kállay, of the memorial erected to the memory of the soldiers who fell in action in the first Great War. *From every part of Subcarpathia people flocked in thousands to Huszt, most of those present wearing Ruthenian national costumes.*

The War Memorial has been *presented to Huszt — a sister-commune — by the Municipality of Budapest.*

The first item on the programme was the Hungarian National Creed, which was recited by *a group of Ruthenians.* Then Béla Dudinszky, Under-Sheriff, welcomed Premier Nicholas Kállay and the Members of his Cabinet in Hungarian and Ruthenian, addressing words of welcome also to the other visitors and to all those taking part in the ceremony.

Next, Premier Nicholas Kállay delivered his inaugural address.

"As I stand here today", he said, "under the shadow of the ancient Magyar Castle of Huszt, I desire to render homage to the memory of those who sacrificed their most precious treasure, their lives, for their country. When those whose memory we are commemorating today made that sacrifice, *they did not yet know — they did not think and could not have believed — that the time would come when the sons of one and the same fatherland could be separated from one another. But, though cut off from one another for twenty years, we were never disloyal to one another. The people on whose soil I am standing today, turned its eyes southwards towards the Hungarian Lowlands with feelings of loyalty and with longing, while the Hungarian Lowlands looked affectionately and with the faith born of confidence towards the Carpathians.* Our symbiosis was undisturbed until certain individuals, actuated solely and exclusively by a desire to satisfy their personal ambitions, endeavoured to break the harmony brought into being by God and history between the peoples living here and the Magyars. Let the facts speak in refutation of the charges advanced by these men.

"*One of these facts is that it was in quest of escape from the oppression to which they had been subjected beyond our frontiers*

and of liberty that the Ruthenians and the Rumanians of Máramaros came here and placed themselves under the protection of the Hungarian State and of the Hungarian Power. Another fact is that these immigrants have not declined in numbers or lost anything of their ethnic character; on the contrary, during the centuries in which they have lived together within the framework of the Hungarian State they have not only been able to preserve their numerical strength, their ethnic individuality and their religion, but have actually advanced and become stronger. This fact proves also that in this country only Magyardom has succeeded in living in symbiosis with nationalities of other race and in establishing State life; for here only the Magyar State system has been — and is still — able to offer permanent peace and security.

"In the present world-conflagration and world-chaos the only positive moment to be taken into account when attempting a solution of the question of the Carpathian Basin is the thousand-years' past of the Magyars, which must be weighed objectively and the conclusions to be drawn from it adjusted to the nationality and social outlook of the present age. The State-building and governmental capacity of the Magyars at all times strove to find — and found — the forms which have ensured the symbiosis and development of the peoples of the Carpathian Basin under their leadership. During the glorious reigns of the kings of the House of Arpad and subsequently too until the days of Turkish occupation, it was the political system and machinery of government established by St. Stephen that determined the forms of Magyar rule and of symbiosis and for five centuries safeguarded the territorial integrity of the Hungarian Kingdom, — for almost five hundred years, during which period there were but sporadic cases of any one daring to attack that system or call it in question.

"Then began the struggles for the vindication of national independence and liberty of conscience under the banners of Bocskay, Bethlen and Rákóczi.

"And when, in 1848, a section of our non-Magyar nationalities, duped and misled, rose against the Magyars, the Ruthenians and the people of Máramaros once more remained loyal and joined the colours of Louis Kossuth. And it is of special interest to note that, when in his exile Louis Kossuth, fearing that the monarchic idea and oppression might swamp Hungarian independence, propagated the scheme of a confederation of the Danubian peoples, the idea which might have been destined to ensure the peaceful symbiosis and the liberty of the peoples living here was conceived in a Magyar brain.

"All this teaches us that without Hungary — without the Magyar people being given the leading role — it is impossible to create a State in this country which every factor has formed into

so wonderful a unit. There may be transitional events and developments; but this truth no one will ever be able to change or to refute.

"Our greatest guarantee is that this is how things have been and that this is how things must be; for this is truth and good, and it cannot be otherwise. *How manifestly the Magyar nation is qualified to represent this spirit, is shown by the sincere endeavours made by it to find ways and means of co-operating, in the spirit of the friendship of a thousand years, with the independent States of Croatia and Slovakia.*

"This war memorial is a symbol documenting that in the first Great War too the Ruthenian people showed itself fully worthy of the compliment paid it by Prince Rákóczi when he spoke of it as "gens fidelissima"; for the memorial desires to perpetuate the memory, not only of the Magyars, but also of the Ruthenians, who sacrificed their lives for their country, placing both in the same rank side by side.

"Nor were the Ruthenians unworthy of that compliment during the period of twenty years either in which this land was severed from the body of the Hungarian State as a result of the action of factors unacquainted with the conditions prevailing here who judged us superficially. For during that period not only the Magyars, but the Ruthenian people too, felt conscious of being in a state of slavery. I am merely doing my duty when referring in terms of appreciation and gratitude to the man, John Kurtyák, who from this town, the centre of the land, led the struggle of the political party of the Ruthenians, the *Autonomous Union of Agriculturists*, and including his name among those of the halo-crowned heroes who died for their country. *The whole world knew that this party had for its object the re-incorporation in thousand-year-old Hungary of this territory and its people.* And it is my duty to command every one here not to differentiate at the cost of any one who desires to be a loyal citizen of Hungary either in treatment or in the administration, — that no one here may be impelled to feel any inferiority of position: for that is the only way to serve the Magyar idea.

"My political creed — and this will be my last word today — may be summed up in a single sentence. — *it is the sacred duty of us Magyars and of the other peoples living in the Carpathian Basin to be of help to one another, to support one another and to further the liberty of our country, the independence of our ethnic and national life and its independence of every outside influence in a manner ensuring to all alike the greatest good, peace and tranquillity.* That is the sacred, human, patriotic duty imposed upon us by this statue; that is why this memorial stands here, keeping eternal watch."

Deputy Andrew Bródy thanked the Premier for his address

and then translated the speech into Ruthenian. *In the closing part of his speech he declared that the descendants of Rákóczi's Ruthenians were loyal soldiers of the Hungarian State-idea. "It is our firm conviction", he said, "that we have only one fatherland — Hungary".*

Andrew Bródy's words were received with tumultuous applause. Then the Memorial was unveiled, — a statue representing a "Kuruc" (Hungarian Independent) warrior joining the hands of a Magyar ploughman and a Ruthenian lumberer. The Memorial was taken over by Alexander Popovics, chief magistrate of Huszt, who spoke a few words in Hungarian and Ruthenian. The ceremony was closed by the singing of the Hungarian National Anthem, followed by a military parade.

After the unveiling of the War Memorial at Huszt, on November 11th. *Kassa, Ungvár, Érsekújvár and Beregszász* celebrated with great enthusiasm, in the presence of large crowds from the neighbouring districts, the fifth anniversary of their re-incorporation in the mother-country. At *Kassa* — where on this occasion various exhibitions were opened and meetings of associations were held — Nicholas *Kállay*, Prime Minister of Hungary, also took part in the celebration, being accompanied by several Members of his Cabinet and other distinguished personages. After addresses of welcome in Hungarian and Slovak, Premier *Kállay*, surveying the history of *Kassa*, established that *Kassa had at all times been Magyar; every stone there speaks of the Magyar past, while the development both of the town and of the districts of Upper Hungary bears witness to the justifiability of the Magyar present.* The Czechs had indeed demolished a few beautiful old Magyar mansions, replacing them by very ugly ones; but that these unpleasant memories were already things of the past, was proved by the houses built for the use of families with many children which were that day being inaugurated and which for all time proclaim that *Magyar affection, generosity and provision for those in need were not fleeting phenomena.* Nor was the gravitation symbolized by the town of *Kassa*, its culture and its situation, a merely fleeting phenomenon. The dignified celebration of this anniversary of re-incorporation by the representatives of science and culture — of the intellectual élite — and of our military forces could not provoke any one; for higher culture, the conception of a higher and more human life, fine and noble thoughts — everything, in fine, evidenced by the celebration — were things that could not hurt or offend any one, there being no moment of aggressiveness in them.

One of the items of the celebration was the inauguration of the houses built for the use of families with many children; the ceremony of inauguration was attended, apart from the Prime Minister and his suite, also by *Cardinal Serédi, Prince-Primate of Hungary.*

FOREIGN MINISTER EUGENE GHYCZY ON GRIEVANCES  
OF MAGYARS OF SOUTHERN TRANSYLVANIA

In reply to the question filed by Count Béla Teleki, Foreign Minister Eugene *Ghyczy* made the following statements: —

"Early in October the Rumanian Government issued an Order suspending teaching in the Nagyenyed Bethlen College, the Brassó Reformed Girls' Gymnasium and the Brassó Boys' and Girls' Commercial High Schools. Previously to the taking of this measure the Rumanian Government had repeatedly requested the introduction of denominational education in those parts of Transylvania and Eastern Hungary which had been re-incorporated in the mother-country. The House will remember that in the territories annexed to Rumania by the Treaty of Trianon the Rumanian Government nationalized Greek-Oriental (Orthodox) and Greek Catholic (Uniate) denominational education. *This was the state of things taken over and maintained in force by the Hungarian Government in the territories re-incorporated in the mother-coutry. As a consequence, no injury whatsoever was inflicted upon the Rumanian nationality as a result of the non-introduction of denominational education; for the system which was in force at the time when the Rumanian nationality living in Hungary was a majority people, cannot be described today as injurious to a minority.*

"Another reason why the non-introduction of denominational education in Northern Transylvania cannot be regarded as a nationality grievance; is that *the Rumanian nationality living in Hungary is ensured the right to carry on its elementary and secondary school studies in its own mother-tongue.* It is extremely difficult to draw a parallel between the situation in respect of the schooling question in Northern and Southern Transylvania respectively, because instruction in the Hungarian language is being given in Southern Transylvania exclusively in the denominational schools (roughly 180 in number) still in existence there which are maintained by the Magyars themselves. *Apart from an infinitesimal number of State schools, there is no instruction in Hungarian in Southern Transylvania except that referred to above; but in the said State schools too the instruction in Hungarian exists practically on paper only, seeing that the great majority of the teachers employed in those schools know scarcely any Hungarian. In Northern Transylvania, on the other hand, the Hungarian State maintains more than 1000 schools for the instruction of the Rumanian nationality.* For every people alike instruction in the mother-tongue is a vital question. Therefore, if the Rumanian Government closes the Hungarian (Magyar) schools in Southern Transylvania on the ground that there is no denominational teaching in Northern Transylvania, *it thereby undermines the foundations of the very existence of our racial*

*brethren living there, a circumstance which cannot be a matter of indifference to Hungarian public opinion, — still less to the Hungarian Government.*

*"The Hungarian Government is negotiating with the Rumanian Government in the matter of the school-question; and it may be that my deputy is this very moment handing over to the Rumanian Minister in Budapest the proposals made by us in reply to those made by Rumania. The Hungarian Government most sincerely hopes that it will be able to come to a satisfactory arrangement with the Rumanian Government in the school-question, — if only from higher considerations —, so that it will perhaps be possible to resume teaching in those schools to which I referred in the opening part of my speech.*

*"As for the requisitioning of animals, I would in reply note that, when we learned of the circumstances under which animals were being requisitioned — on the alleged plea of retorsion — in Southern Transylvania, we immediately informed the Rumanian Government that we should resort to similar methods. I would not venture for the moment to offer any figures; for we have not yet received an exact report of the matter from our diplomatic representative. I beg the House to take cognizance of my reply."*

*The House unanimously took cognizance of the Foreign Minister's reply.*

## THE GRIEVANCES OF THE MAGYARS OF SOUTHERN TRANSYLVANIA

At the meeting of the Hungarian House of Deputies Count Béla Teleki, President of the Transylvanian Party, addressed a question to the Prime Minister and the Foreign Minister.

He told the House that last month *the Magyars of Transylvania had been dumfounded to hear that the Rumanian Government had closed three denominational secondary schools in Southern Transylvania, — the Nagyenyed Bethlen College, the Brassó Reformed Girls' gymnasium (grammar-school) and the Brassó commercial high school, having at the same time requisitioned for military purposes the building of the Franciscan monastery, which contained a denominational gymnasium, thereby suspending all teaching activity in that institute. This unheard-of procedure had aroused the greatest exasperation in Transylvanian society, if only because it was not a sporadic case, but part of a deliberate scheme initiated by the Rumanian Government for the purpose of converting the life of the Magyars of Southern Transylvania into a veritable Inferno. Elementary education was being given in Southern Transylvania in only 185 elementary schools (employing altogether 190 teachers), — though, taking into account the numerical strength of the Magyars living in Southern*

*Transylvania, at least 1000 teachers would be needed. As things stood today in Southern Transylvania, only one-third of the population was in a position to receive instruction in its mother tongue. the rest being deprived of that right. In Northern Transylvania, on the other hand, there were 647 elementary schools imparting instruction in Rumanian, that language being taught in altogether 1100 schools inclusive of the mixed-language schools. While the Hungarians treat the Rumanians fairly, the Rumanian inhabitants knowing where they can have their children taught in Rumanian, a state of absolute uncertainty prevails among the Magyars of Southern Transylvania, and the Magyar schools are being closed in rapid succession. The Hungarian State had contributed towards the maintenance of the Rumanian denominational schools; in Rumania, on the other hand, the State did not provide a penny for the purpose. Most exasperating was the illwill shown towards the Magyars in Southern Transylvania, — not only were the Magyars exposed to aggression in educational matters, but in other fields too. The Magyars were being taken to horrible labour (concentration) camps, many of them perishing there owing to the poor quality of the food and the harshness of the treatment. That explained why large numbers of Magyars had been compelled to flee across the frontier, leaving their families in a most precarious situation. Of late the authorities had attempted to ruin the Magyars by requisitioning for State purposes. The requisitioning agents had visited only Magyar small-holders, commandeering the only milch-cows they possessed. fixing the price to be paid for the animals requisitioned at the ridiculously low sum of 70 bani (not quite a farthing) a kilogramme. Quite recently the Prime Minister had declared that he was not prepared to adopt the principle of reciprocity — was not prepared to persecute Hungarian citizens living in Hungary simply because in Southern Transylvania the Magyars were being treated with horrible harshness, adding that, if he nevertheless were compelled to do so, he would resort to retaliation of the kind only in cases of extreme emergency. He (Count Teleki) begged the Prime Minister and the Foreign Minister to leave no stone unturned — if necessary, even to employ energetic means —, but at all costs to safeguard the Magyars of Southern Transylvania against the danger of utter effacement.*

## HUNGARY'S NATIONALITY AND CULTURAL POLICY

On November 17th., during the debate on the Estimates in the Hungarian House of Deputies, M. Eugene Szinyei-Merse, Minister of Education, made the following statements respecting the nationality and educational policy of Hungary: —

"The principle laid down by us is that *in the matter of the determination of the language of instruction in elementary schools*

*in the nationality areas of the re-incorporated territories the deciding factor shall be the will of the non-Magyar parents expressed freely and without restriction in a legal manner. We not only ensure, but effectually support, the free exercise of their religion by our non-Magyar nationalities. In like manner, we not only ensure our non-Magyar nationalities the free use of their languages, but are directly concerned to protect the peculiar character of those languages, contributing towards a more unrestricted development of those languages. I feel sure that the whole world will regard it as only natural and fair, however, that, when taking the utmost care to endeavour to ensure our non-Magyar nationalities unrestricted material and spiritual welfare, we should not for a moment forget that people either which of all others in our country has suffered the greatest sacrifice of life and whose lot is relatively the most unfavourable, — the State-building Magyars. It is our duty to provide for our own racial kin. This is in the interest of all the peoples and nationalities of the Carpathian Basin, and of Europe generally. In this State of ours, during the past thousand years, every nationality has increased in numbers, has enjoyed the free exercise of its religion and the unrestricted development of its language and culture. That is why we expect of them nothing but what we are entitled to demand, — loyalty, attachment, fraternal co-operation. Those citizens of this State who conspire against this Fatherland and the State that is common to all, must be punished with the utmost rigour and power of the law. We have often shown a spirit of fairness at our own cost; but we are able, if necessary, to use the weapons of energy and determination. This is our human right and our duty, not only as Magyars, but as Europeans too, if we would continue to fulfil the historical mission devolving upon Magyarodom."*

The Minister begged the non-Magyar nationalities at all times — when they felt that to be necessary — not to hesitate to appeal to the authority of the Hungarian State.

## NATIONAL UNION OF HUNGARIAN STUDENTS

In the forenoon of Monday, November 8th. M. Eugene Szinyei-Merse, Minister of Education, received a deputation comprising the leaders of the students' organizations being Members of the National Union of Hungarian Students which was headed by Dr. Imre Rajczy, Secretary-General (President) of the *National Union*.

*The deputation presented to the Minister of Education a memorandum submitted by the university and college students which stressed the sincere regret felt by the youth of Hungary in having to put on record the fact that the Rumanian Government*

*had recently closed three secondary schools serving as centres of the intellectual life of the Magyars of South Transylvania, thereby exposing the flower of one section of the Magyar students of South Transylvania — the Magyar students attending the upper classes of the said schools — to an uncertain fate.*

The Hungarian students felt that they were voicing the public opinion of the whole nation in giving expression to their protest against this procedure. If they failed to do so, the Magyars of South Transylvania would be fully entitled to believe that they had been left to struggle unaided. But the Hungarian students felt impelled to protest against the said measure also because this severe proceeding had been taken against the Magyar students of South Transylvania at a time when *the Hungarian Government was doing everything in its power to remove all restriction and obstacles impeding the secondary and higher education of the Rumanian students living in Hungary.* The university and college students represented in the National Union of Hungarian Students — in view of all these facts and fully conscious that in the grave struggle which the Magyar people had to face absolute unity and an enhanced discipline was more important than anything else — was appealing in confidence to the Hungarian Government with the request *to take all necessary steps to ensure the Rumanian Government revoking the measure which so seriously prejudiced the vital interests of the Magyars of South Transylvania.*

M. Eugene Szinyei-Merse, Minister of Education, assured the leaders of the university and college associations that the Hungarian Government was availing itself of all the diplomatic means at its disposal to prevail upon the Rumanian Government to withdraw the injurious measure and repair the injury inflicted on the Magyars of South Transylvania by the closing of the three schools.

In his answer the Minister noted further that in keeping with the historical attitude of the country the Hungarian Government was pursuing a policy of friendship and understanding towards the non-Magyar nationalities, — a policy which ensured, not only the Hungarian citizens of Rumanian race, but all citizens of non-Magyar tongue, the free exercise of their rights and full liberty to live their life undisturbed and without hindrance in the use of their languages and their customs.

The deputation recived the words spoken by M. Eugene Szinyei-Merse, Minister of Education, with gratitude and satisfaction.

CONSTRUCTIVE CULTURAL ACTIVITY  
IN SUB-CARPATHIA

During the days of Czecho-Slovak rule Sub-Carpathia to the neutral observer seemed the embodiment of political chaos. The whole intellectual life of the country, its literature and science, was consciously and deliberately degraded to the position of a tool of artificially instigated political movements and tendencies. Even the trade, industry and agriculture of the country was exploited for political purposes. *The object behind all these movements was the weakening of the Magyars and of the pro-Magyar Ruthenians, and the creation of an atmosphere saturated with hatred in which everything that recalled Hungary and the Hungarians was to be suppressed.*

In order to attain this political object, those in authority at Prague thought it would be opportune to *awaken in the Ruthenian people pan-Slav sentiments and pan-Slav ideas.* This was made the object, not only of the various political parties, which outbid one another in their advocacy of Slav nationalism, of Pan-Slavism and even of Communism, but also of all the cultural, literary and scientific organizations, *above all of the Pan-Russian Duchonovitch Society and the various Ukrainian Prosvita Associations.* To all these organizations alike culture served merely as a pretext, for they were in reality *the hothouses of a chauvinistic Pan-Slavism* precious little concerned with the furtherance of the culture of the Ruthenian people.

The duty of espousing the cause of the Ruthenians fell to the Hungarian Government. At the outset it was no easy task to raise the various tendencies facing one another with implacable political hatred out of the poisoned atmosphere and to inspire them with a constructive spirit to which the cultural and intellectual advance of the Ruthenian people and its material welfare meant more than all the political programmes and aspirations moving in a vacuum. The first milestone in this direction was *the establishment of the Scientific Society of Sub-Carpathia*, which during the two short years of its existence displayed an exceptionally beneficial activity. The greatest achievement of this Society was undoubtedly its success in eliminating the hatred which divided the Ruthenian people into various antagonistic parties and fractions, in *exterminating the "morbus subcarpathicus"* of disunion, and in prevailing upon the Ruthenian people to bethink itself once more of the words spoken by it previously when it had been anxious to undertake positive constructive work. It is a sign of the times that the Ruthenian youth should have been — and still is — to the fore in understanding the call sent out by the Scientific Society for the collection of positive forces and to enlist in the service of the Society in order to be able *to contribute to realize its*

*programme for the furtherance of original Ruthenian folk-culture.*

During the course of last year the Society published *ten* volumes in its series "Books for the People." In addition, it published also the *bi-lingual literary periodical "Zorja"*, the "*Literaturna Nogyljya*" (Literary Sunday), a splendidly edited scientific and cultural periodical, and, finally, the "*Ruszkji Molodezsji*" (Ruthenian Youth), a periodical for the young which has already secured a circulation of 9000 copies. The Society has also made preparations for the foundation of a *Sub-Carpathian Ethnographical Museum* and for the establishment of *reading clubs* in all the larger communes.

The data given above in outline afford an idea of the spiritual revolution ensuing in Sub-Carpathia, replacing the disunion, feuds, reciprocal antagonisms and political hatred which previously dominated the country with peace, unity and a positive service of the people calculated to ensure the Ruthenians a better future within the framework of the Hungarian State. The successes so far achieved in this direction are a guarantee that this work will very shortly bear abundant fruit, — above all beneficial to the Ruthenian people which in the days of Czecho-Slovak rule saw its very existence threatened.

OSZK  
Országos Széchényi Könyvtár

# POLITICAL ECONOMY

## CROATIA

### NEW TOBACCO-CULTIVATION SCHEME IN CROATIA

The Croatian Chief Inspectorate for Agriculture and Chief Inspectorate for Industry have jointly elaborated a special scheme for the improvement and enhancement of the cultivation of industrial plants. This scheme relates to the cultivation of flax, hemp, rape, sunflowers, soy beans, sugar beet and tobacco. In certain areas — particularly in Herzegovina and Dalmatia — tobacco is the most important industrial plant, yielding a considerable proportion of the people's income and ensuring the Treasury — the sale of the product being a State monopoly — a permanent and abundant source of revenue. Another consideration of paramount importance is that in Croatia the cultivation of tobacco is the sole source of income of 38.000 families, while at the same time providing very many other families with additional earnings.

According to the five-years' scheme elaborated for the purpose, the competent factors reckon on the following development of tobacco-cultivation in Croatia during the current year and the next three years respectively: —

<i>Area under cultivation:</i>			
<i>(in hectares)</i>			
1943	1944	1945	1946
9.120	11.000	12.000	13.000
<i>Probable yield per annum:</i>			
<i>(millions of kilogrammes).</i>			
11	13.7	14.5	15.7

The question of the improvement of the tobacco is to be investigated by a tobacco research institute to be established for the purpose. *It has been decided, in addition, to establish a nicotine factory which will manufacture 3000 kilogrammes of nicotine a year.* For the purpose of increasing the production of oil, the five-years' scheme requires tobacco-growers to deliver 2 grammes of tobacco seeds for every tobacco plant at a price of 10 kuna a kilogramme. *The Treasury has foreseen the advance of credits amounting to 160.000.000 kuna for the carrying into effect of the scheme; and growers will be allotted additional supplies of cornflour in proportion to the quantities of tobacco delivered.*

## HUNGARY

THE ACHIEVEMENTS AND FUTURE OF HUNGARIAN  
INDUSTRY.

This year's General Meeting of the *National Federation of Hungarian Manufacturers* was dominated by the questions of the great tasks of the present and preparation for the future. These were the two principal threads running through two powerful speeches made at the General Meeting, — the inaugural address of the Chairman, Henry *Haggenmacher*, and the annual report presented by Alexander *Knob*, Managing Director. Both speeches reflected a serious analysis of the arduous tasks in store and at the same time a legitimate confidence in the ability to successfully cope with those tasks, — the legitimate confidence which, as emphasised in the Chairman's inaugural address, is based on the one hand on the achievements hitherto attained (achievements on an almost inconceivable scale) and on the other hand on the perfectly harmonious co-operation with Government and the increased appreciation of the significance of industrialization.

The achievements attained by Hungarian manufacturing industry since the outbreak of the second Great War are indeed a record performance unparalleled in the history of the uphill struggle of Hungarian industrialization. Hungarian manufacturing industry has already passed through many arduous periods and solved many a complicated and serious problem; but *the achievements attained by its efforts have never at any time been so palpably evident and have never met with such general appreciation as during the last five years*. In the first place the involuntary omissions of decades had to be made up for, in national defence matters in particular; and at the same time provision had to be made to secure the satisfaction of the requirements of civilian consumption which had previously been in large measure secured by imports, — and that in a period bristling with exceptional difficulties due to a shortage of raw materials and of labour. The quality of the work done by industry in building up a modern Hungarian army has already been praised and duly appreciated by competent military quarters; while in respect of the efficiency of the production serving the interests of civilian consumption it will perhaps suffice to note that nowhere in the world is the population of a belligerent country — in particular the poorer classes — better provided with prime necessities than in Hungary.

When we inquire as to what these achievements of Hungarian manufacturing industry are due to, we shall find that special credit is due to the efforts made by the State and by private enterprise during the two decades between the two Great Wars for the pur-

pose of enhancing the scale of industrial production and of increasing the capacity of the industries already in existence. The first task was the regeneration of that part of the industrial organization of Hungary which had been left in Hungarian hands; though at the same time provision had to be made also for the creation of branches of industry which in the days of the customs union with Austria had either not been able to develop at all or at most only to a moderate extent. Apart from the re-organization and further development of the existing establishments and plants of heavy industry, of the building industry and of agricultural industry, we saw grow into existence almost overnight Hungarian textile industry, Hungarian leather industry, chemical industry, electrotechnical industry and paper industry. *The number of establishments and plants maintained by our manufacturing industry, which after the first Great War had been hardly 2000, had by 1938 advanced to almost 4000. During the same period the number of hands employed in industry increased from 173,700 to 340,880; while the value of industrial goods produced advanced from 970 to 3045 million pengő a year.* The number of new establishments in the iron and metal industries represented an increase of 19.6%, the percentages in evidence in the machine industry and paper industry being 22.2% and 32.8% respectively, while in the chemical and textile industries there was an increase in the number of new establishments of actually 50%!! This result is particularly noteworthy in view of the fact that the favourable conjuncture following the first Great War only lasted a few years and that immediately after this favourable conjuncture the young manufacturing industry of Hungary had to contend with the consequences of the international credit crisis and of the still graver agrarian world crisis.

The successful negotiation of the crisis was certainly due partly to the grit and elasticity of private enterprise, but *more particularly to the co-operation between the State and private enterprise developing during these years of ordeal, and to the fact of decisive importance that the Government realized in good time the need for State control and for a planned economy.* It was the realization of this fact that made it possible to dovetail the industrial policy into the general economic policy and to bring about complete harmony between our foreign exchanges policy, our foreign trade policy and our policy of production.

During the last five years the development of the socio-political institutions of our manufacturing industry has succeeded in every respect in keeping pace with the technical development. Private enterprise has not only proved a willing collaborator in the work of carrying into effect the Government's institutional reforms, but has *in addition* made intensive efforts to relieve the war situation of the workers too.

Our industry has done all in its power to assist Government

in its endeavour to bring about stability in the question of prices and to simultaneously adjust in a satisfactory manner the question of emoluments and wages. The new, stabilized price-level is a general national interest; and no deference to the special interests of manufacturing industry, however legitimate, within the limits prescribed by that stabilization, can be made unless indispensably necessary for the purpose of ensuring the continuity of production and the maintenance in repair and renewal of the industrial apparatus.

## SLOVAKIA

### THE ECONOMIC SITUATION IN SLOVAKIA

At Szliacs *Dr. Karvaš*, President of the Supreme Public Supply Office, the other day gave an exhaustive account of the Slovak harvest yield and stressed that in war times the supply of the population was a matter of prime importance.

Dealing with the question of *bread cereals*, *Dr. Karvaš* noted that Slovakia had put the regulations relating to public supplies in force in a manner providing that *the rations should remain unchanged without any measures of economy being rendered necessary*. This policy had answered the purpose; for last year's reserve supplies were still — in the month of October — sufficient to cover requirements without dipping into this year's supplies.

The purchase of the corn was proceeding on a normal scale. Material changes had been made in the organization entrusted with the work of purchasing, and facilities had been introduced. The control of supplies during the period of threshing had been effected without a hitch. The work of threshing had now been completed in the whole of Slovakia — except in the northern areas; and the harvest yield was on the whole on the same level as last year's. In certain districts the harvest yield had been better than in the previous year; but the average yield for the whole country did not exceed that recorded in 1942. Despite the fact that during the coming twelve months the same public supply policy would have to be pursued as that followed hitherto, *there was just a possibility that the State might be able to introduce certain facilities*.

"As for *the root-crops* (radicant plants), this year the work of purchasing is proceeding somewhat more slowly; but we are entitled to presume" — said *Dr. Karvaš* — "that the result will not be below that of last year. We may expect an average yield of potatoes, though the quality of the crop will be slightly poorer than in 1942."

In some districts the yield of potatoes had been of an absolutely disastrous character; but measures had been put in force

which had eliminated the difficulties arising from that fact. Seeing that the yield of potatoes was not sufficient in volume, the manufacture of potatoe spirit and starch had been suspended.

This measure is to be in force until all steps necessary to ensure the supply of the population with potatoes have been taken.

The *crops of fruit and vegetables* had been good ones; and the inland markets were abundantly supplied.

*Dr. Karvaš* then dealt with the question of *the supply of fodder*. No material changes are to be expected here either, said *Dr. Karvaš*; particularly in view of the unfavourable crop there is considerable shortage of fodder materials containing starch.

The principal and primary task confronting the competent authorities will be to ensure the supply of the quantities of fodder required.

In respect of the *live stock*, last year there were changes of a material character. So far all endeavours to solve the problem to the satisfaction of those concerned, had failed. The authorities had introduced measures for the compulsory purchase of animals; that not being done, however, with the object of decreasing the live stock for the purpose of ensuring the supply of meat. Certain difficulties had arisen as a result of an over-calculation of the quantity of meat to be expected. These difficulties would be eliminated; and there was every reason to hope that the solution of this problem would be final and definitive.

As for *the husbanding of the stock of pigs*, *Dr. Karvaš* felt entitled to report a happy solution. Breeders had been granted certain facilities; and it had proved possible to introduce facilities considerably greater than those in force in the previous year in respect also of the supply of pork. As for the supply of Slovakia with fat, that country would be dependent mainly on artificial fats, the manufacture of which had been increased. As a result of various actions, the supply of the raw materials required by the artificial fat factories had been ensured; and he — *Dr. Karvaš* — was in a position to report that better results had been obtained in this field too. The present situation gave no cause for anxiety.

In respect of *the supply of eggs*, considerable difficulties had arisen due primarily to the circumstance that no provision had been made for any large-scale preservation of eggs. Here too there was every prospect of an improvement, so that it would be possible during the course of the winter to supply the principal centres of consumption with at least small quantities.

In connection with the *distribution of milk* the authorities had succeeded in further extending the system of compulsory

delivery and in increasing the production of butter, so that it had proved possible to ensure the butter-rations of children and invalids in all the towns of Slovakia.

In respect of the *industry* of the country Dr. Karvaš declared that certain difficulties had arisen impeding the work of distributing raw materials; but a successful solution of the problem and an elimination of the difficulties had been effected. The installation of generators had proved a success; and it was intended to introduce the system also in connection with the operations of tractors and steam engines.

As for *the supply of shoes and leather*, there had not been any change in the situation, and there was not much prospect of any improvement.

In respect of the supply of operating raw materials, fresh difficulties had arisen which were due to a shortage of means of transport. There could however be no doubt that the country would get through the coming winter too without any serious hitch.

So far as the *sugar supply* was concerned, there were no particular difficulties in evidence; and the yield of sugar beet in the eastern districts of Slovakia was a very good one. In other parts of the country only an average yield was to be expected.

In connection with the *supply of iron* the system of controlled distribution had been introduced, and building activity had had to be reduced, seeing that there had been a decline in the volume of iron imports.

There had been a set-back also in the volume of textiles imported from abroad.

In conclusion Dr. Karvaš dealt with the currency policy of Slovakia, in the fundamental principles of which there had been no change. The level of wages had been brought into harmony with the gradual adjustment of the general price-level, so that there had not been any considerable deviations in evidence, and it had proved possible also to consolidate wages. In its price-policy the Government of Slovakia would continue in the future too to display the utmost circumspection and energy.

Dr. Karvaš then emphasised that in Slovakia, as a consequence of the increase of production, the supply of commodities was far better than in the neighbouring States. This was due primarily to a judicious policy of distribution. As for the advance of prices, in Slovakia that advance had already reached its peak point; and, unless outside influences asserted themselves, a decline of prices could be reckoned on.

## SERBIA

## EQUILIBRIUM OF SERBIAN PUBLIC FINANCES

The Serbian Government has just made public the Accounts for the year 1942. *The amount foreseen in the 1942 Estimates under the head of expenditure and revenue alike aggregated 5000 million dinars. Receipts under the head of taxes were expected to amount to 2250 and those obtained by the State undertakings to 2750 million dinars. Personnel expenditure was estimated at 2600 and material expenditure at 2400 million dinars.* The Serbian Government was however fully aware that it had to reckon also with extraordinary expenditure, and consequently took measures to provide the necessary security in advance. As a result, *the revenue eventually amounted, not to 5000, but to 7240 million dinars. The expenditure, on the other hand, showed an increase of only 350 million dinars, the final amount recorded as expenditure being therefore 5350 million dinars. The surplus of 2020 million dinars was appropriated to secure the extraordinary expenditure of the Treasury.*

In a statement issued by him the Minister of Finances has pointed out that the equilibration of the public finances is to be attributed primarily to the circumstance that the taxes foreseen in the Estimates were paid in in full. Moreover, the greatest economy had naturally been observed. And the Accounts for the year 1942 serve to very considerably facilitate the elaboration of the Public Estimates for the year 1944.

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