## SOUTH-EASTERN EUROPE

Hungary

The U.S. Government, having decided that a new Note on Soviet intervention in Hungary will at present serve no useful purpose (see last week's Summary), are preparing to strengthen their cause by a series of economic measures. Silver bullion and certain other Hungarian assets now in the U.S. zone of Germany are to be returned and Hungary will be supplied with 6,000,000 dollars' worth of raw cotton. The International Emergency Food Council has approved the delivery of 40,000 tons of grain, 5,000 tons of which have already been despatched in the form of seeds. Hungary will also obtain some benefit under general relief appropriation, but the exact amount cannot yet be forecast.

Communist pressure has not succeeded in forcing the Smallholders to unite with the left-wing bloc in condemning U.K. and U.S. "interference" in Hungarian affairs. The Red Army newspaper, Uj Szó, rebukes M. Sulyok, the leader of the Freedom Party, for stating that the exchange of Notes was no concern of Hungary's. The Communist newspaper, Szabad Nép, follows General Sviridov's lead in refuting the U.S. accusations. The Social Democratic organ, Világosság, regrets that the U.S. Note was based on incorrect information and hopes that the U.S.A. will publicly refuse to support reactionary

elements The Communist Press likewise voiced violent disapproval of President Truman's speech of the 12th March which the Smallholder and moderate Press published side by side with both favourable and unfavourable comments from foreign newspapers. Except in right-wing circles the confidence engendered by the U.S. attitude has been largely modified by a reluctance to allow Hungary to become the centre of a Russo-American contest.

During the Foreign Ministry's Budget Debate M. Gyöngyösi re-stated Hungary's foreign policy which was, he declared, based on her desire to establish good relations with her neighbours. He paid tribute to the humanity shown by the Red Army in the exercise of their rights and to their help in creating the conditions required by a democratic state. Hungary, he added, was linked historically with the great Western Powers whose goodwill she valued highly. He expressed gratification at the recently resumed diplomatic relations with Austria and Italy. Hungary was on friendly terms with Yugoslavia and Roumania. She wished to implement her Repatriation Agreement with Czechoslovakia, but this was not a question for

The non-party Magyar Nemzet and the Social Democratic Népszava are hopeful about the outcome of the Hungarian-Czechoslovak negotiations which have been reopened at Bratislava. M. Sebestyen, the head of the Hungarian delegation, has expressed his determination to allow no obstacles to stand in the way of success, but in view of past history it would seem unreasonable to anticipate more than a strictly limited measure of progress if Czechoslovakia continues to dispossess her Magyar subjects mobilized for national service. Even the most conciliatory Hungarians, who are willing to overlook the fact that the number of Magyars called up under the Labour Decree is disproportionately high, find it impossible to concede Czechoslovakia's right to confiscate their property without compensation. M. Szakasits, the Social Democratic leader, is simultaneously conducting talks in Prague.

Conditions in the U.S. zone of Germany are still such as to preclude the further deportation of Swabians from Hungary for the time being. General Sviridov, on behalf of the Hungarian Government with whose decision he associated himself, refused an invitation sent by General Weems to appoint representatives to a conference in Berlin for a detailed discussion of the subject.

The proposal to make religious teaching optional has led to strikes and demonstrations among the school children and university students of Szeged. The instigators have been arrested and the situation is once more normal, but left-wing circles have unofficially asked themselves whether the reform is worth the hostility it has aroused, since the indications are that its effect will be small in the clerical movement which it was designed to weaken. Officially the spokesmen of all the Coalition Parties have justified it, the Smallholders' Secretary-General, Fr. Balogh, affirming that none of the Parties wished to destroy the Church. M. Nagy, speaking as a Calvinist, assured a delegation from Csepel that neither he nor M. Tildy would have supported the proposal had it been to the detriment of the country's religious life. Should the legislature pass the motion, religious teaching would still remain a regular part of the curriculum, and only on the request of their parents might children be exempted from receiving religious instruction.

Erratum. In last week's Summary for "Pinnyés," read "Dinnyés."

## Roumania

Activity in Opposition circles in exploiting the conditions under which the recent election was held was strengthened by the freely expressed concern of Great Britain and the U.S.A. although their action deliberately did not go beyond the expression of concern. As a result there have been arrests on a large scale, as part of a campaign of reprisal against the Opposition. It is reliably reported that the next move is to be the deportation to Russia of a number of persons in the following categories: (1) "War Criminals" to be tried under Article 6 of the Peace Treaty. This article specifies persons guilty of crimes against peace or humanity, and those who aided the enemy during the war. It would be interesting to know what the present "powers that be" would consider a crime against humanity. D-na Pauker in a recent conversation declared that she was "not interested in human beings!" (2) Germans, which, of course, may mean Roumanians from Transylvania of Saxon descent or with German names. During the last deportations the possession of a German name was considered crime enough to warrant deportation. (3) "Subversive elements," which of course can be made to

mean anything. On top of this comes the Roumanian reaction to President Truman's proposals. Roumania waited for a lead from the Russian press, and when they got this, launched out in a series of articles to which a considerable amount of care seems to have been devoted. The general line is the visualising of Europe divided into two camps, and the inevitability of another war. Turkey is regarded as a likely base for an attack on the Caucasus which is Russia's weakest point. American opinion regards the arrests as the Communist reaction to President Truman's move.

The U.S.A. authorities in Roumania have sent a Note to the Roumanian Government on the subject of the treatment of the Oil Companies. The note draws attention to certain Russian demands made on behalf of Sovrompetrol, including (a) the demand for special treatment as regards new concessions, (b) compensation for inadequate prices paid for products delivered, payment at world prices for future deliveries, and (c) the right to export. To all of these the Government promptly agreed. The Note affirms that their agreement with these demands violates the law of 1942, and discriminates against other companies. The Note goes on to demand no less favourable treatment for American companies, and asks that American property in Roumania will receive most favoured nation treatment, and will not be at a disadvantage as compared with Sovrompetrol.

The Danube remains closed to traffic on account of heavy floods, and the height of the river above Turnu Severin has caused vehicular traffic between Giurgiu and Ruschuk to be suspended. As soon as navigation permits, however, a new passenger service to Vienna is to be operated by Sovromtransport.

The Russian Government has pounced upon a number of railway wagons many of which are Allied-owned. They were originally seized by the Germans and then in turn taken possession of by the Russians. The gauge of them is now being altered, and they are to be removed to Russia as "war trophies."

It is reported from two sources, but not yet confirmed, that Carol, the former King of Roumania, has obtained a French visa and intends to return to Roumania and make trouble with Russian support. Up to the present the efforts of H.M. Government and the U.S. Government have successfully prevented these periodical plots from maturing.

33403