

The project of communal elections was mentioned as a way out of the difficulties in which the late Government found itself in the middle of October. The Minister also states that Roumanian authority has been re-established in five or six of the județe of Transylvania. He lays stress on the rights of the Hungarian minority, but explains that, for reasons of State, Roumanian must be the official language of the whole country.

The Minister of Justice, Patrașcanu (Communist), who is responsible for the "purge" of the civil service, has declared that this must extend to the highest ranks of the legal profession. Those who were responsible for Roumania's disaster will be mercilessly punished. The period for the restitution of property looted from Russia expires at midnight on the 14th November, and the transfer must be completed by that time.

Yugoslavia.

In the Kosovo region Bulgarian forces have had a considerable success and are reported to be advancing on Prishtina from the north. They have also captured Kumanovo, east of Skoplje. The Red Army is threatening Kraljevo. The Germans still hold their escape line through the Sandjak. In Macedonia the partisans have closed in behind the retreating Germans and have occupied Bitolj (Monastir) and Djevdjeli and Veles (on the main line from Salonica). Enemy sources reported a fortnight's heavy fighting north-east of Zagreb, where the partisans are said to control all the rural areas.

In Belgrade an assembly of about a thousand partisan delegates from Serbia, whose duty is to elect a National Liberation Council of Serbia, met on the 10th November. The New Yugoslav Telegraph Service described it as repudiating all idea of Serbian hegemony in Yugoslavia, as assuming legislative authority in Serbia, as electing an executive committee, and as setting up a War Crimes Commission. (A similar commission had been set up earlier at Nish.) An eye-witness's description of Belgrade says that the city is badly damaged by Allied and German bombing, that sanitary conditions are bad and epidemics are expected, that the attitude of the people is apathetic, and that the partisans are taking care not to provoke antagonism and are retaining technical officials of the Neditch régime.

The Macedonian partisan leaders are reported to have received an agreement in principle from the Bulgarian Fatherland Front that Bulgarian Macedonia shall be eventually included in the Macedonian Member-State of Yugoslavia. They are also said to be content to leave the question of Greek Macedonia for settlement by the United Nations. But, speaking in Belgrade on the 8th November, General Djilas, of the Central Communist Party and till recently on the partisan Mission to Moscow, attacked the Greek Government for "violently terrorising our Macedonians in Greece without any justifiable reasons," and said that this policy could "only lead to poisoning of relations between the new Yugoslavia and the Greeks."

The economic condition of Croatia south of the Kupa river is deplorable. It is reported that it would take three months to repair the railways and there is little rolling-stock. The roads could be quickly repaired were lorries made available. One aspect of Croat opinion is revealed by the appeal of *Hrvatski Narod*, of Zagreb, for courtesy towards Croat troops on leave; another by the judicial power of punishment accorded to the Croat Commissioner for Food Supply. The partisans are reported to be welcoming Croat officers and allowing them to retain their previous ranks.

Greece.

In order to balance its budget and stop inflation, the Greek Government has decided to take the following steps: to fix wages of State employees so that the average wage equals seven shillings a day; to sell certain imported supplies at a price lower than existing market prices but high enough to produce revenue needed by the exchequer; to raise indirect taxes and to put a purchase tax on luxuries; to put a heavy tax on war profits; to keep down to a minimum expenditure on the armed forces.

A stabilisation law has been passed fixing the exchange rate of the new drachma issued by the Bank of Greece at 600 to the pound. B.M.A. notes will circulate in Greece, alongside the notes of the Bank of Greece, at the above parity. The Bank of Greece will exchange its notes with B.M.A. notes for amounts of not less than 12,000 drachmæ, and will exchange B.M.A. notes for drachmæ without any limit. The law empowers the Bank of Greece, at a later,

unspecified, date, to sell foreign exchange on London and other centres, provided the amount demanded be not less than 60,000 drachmæ. The rate of exchange on New York will be fixed on the basis of its quotation on the international money market. The rate of the old drachma to the new drachma is fixed at 50,000,000,000 to one. Advances by the Bank of Greece to the State are limited to 2,000,000,000 drachmas. Legislation on exchange control remains in force in so far as it consists with the present law.

An agreement has been reached between the Greek Government and representatives of the British Treasury, whereby the Greek Government has agreed to call in, within a period of twelve months, or such other period as may be agreed between the two Governments, all B.M.A. notes circulating in Greece, and to replace them by drachma notes. His Majesty's Government has undertaken to make available to the Bank of Greece an agreed amount of B.M.A. notes, to be debited against the account of the Bank of Greece with the Bank of England; when the B.M.A. notes have been withdrawn and returned, their face value in sterling will be credited to the Bank of Greece.

Professor Svolos, the Greek Finance Minister, has stated that the Bank of Greece holds cover for the new currency to the amount of £43 million, the greater part of it in gold and the rest in foreign exchange.

According to a statement by General Scobie, supplies of all kinds are now being brought into Greece at the monthly rate of 130,000 tons.

Albania.

After attacking the German and quisling forces in Tirana intermittently for a month, the F.N.Ç. opened an assault on the 3rd November, and at the end of five days' hard fighting captured three-quarters of the capital. The 1,000 Germans who took up strong positions in the royal palace and in barracks in the remaining fourth of the town were effectively bombed by Balkan Air Force. The Germans have been using considerable forces to keep open the Resan-Ohrid-Struga way of escape to the north.

Bulgaria.

Coming, as they did, soon after the return from Moscow of the Bulgarian armistice delegation, the meetings, banquets and other celebrations organised in honour of the anniversary of the Russian revolution furnished the occasion for many demonstrations of devotion to Russia. The prestige of the Soviet Union stands remarkably high to-day and press, radio and public speeches were filled with praise of the Union's achievements and of the Red Army's prowess. But care was taken not to omit reference to the part played by Great Britain and the United States. At a dinner given by the Red Army the Archbishop of Sofia, Mgr. Stefan, went so far as to call on the Soviet Union to give practical proof of that love of freedom which Soviet speakers had extolled. The Foreign Minister, the first time he received the British political representative, was at pains to assure Mr. Houston-Boswall that the demonstrations of enthusiasm for Soviet Russia did not mean that there was any question of introducing Communism (see "Soviet Union"). M. Stainov said that, with passions inflamed, the Government had to go slow for the present, but he hoped that it would have established itself by the end of the year. He admitted that the People's Courts were a drastic measure, but he contended that the alternative would have been the execution of summary justice by self-appointed judges in every village. With regard to the reported trade negotiations in Moscow, M. Stainov explained to Mr. Houston-Boswall that the Soviet authorities had suggested expert conversations and that Bulgarian experts would accordingly be sent to Moscow. He hastened to add that this implied no preference for Soviet trade. In a press interview M. Stainov coupled with the need for discipline the need for hard work, and this shock-worker note has been struck by other authorities.

By capturing Strumica, Podujevo and Veles and at any rate co-operating in the capture of Kumanovo the Bulgarian army made a further substantial contribution to the expulsion of the Germans from Yugoslavia. Bulgaria broke off relations with Japan on the 6th November, but the Japanese Minister and his staff have not yet left the country.

Turkey.

The entry into Izmir harbour on the 7th November of a Cunarder, the first foreign merchantman to arrive since 1941, marked the reopening of the Aegean,