

For the moment, however, the U.S. Government will probably merely express regret at the refusal to permit a joint enquiry and renew their request that the Soviet authorities should refrain from further unilateral interference in Hungarian internal affairs.

The recent ministerial re-shuffle did not affect the proportion of portfolios allocated to the different Parties. M. Veres of the National Peasant Party has taken over the Ministry of Reconstruction—an appointment which had remained vacant for many weeks following the arrest of the former Smallholder Minister, M. Mistéth—but the Ministry of Education is now in the hands of the Smallholders, M. Ortutay having succeeded M. Keresztury, who was a member of the National Peasant Party. The three other new Ministers, MM. Mihalyffi, Pinnyes and Nyarady, who hold the portfolios of Information, Defence and Finance respectively, are Smallholders like their predecessors.

The Freedom Party has started to publish a fortnightly periodical entitled *Holnap*, the appearance of which was delayed by lack of funds. M. Rákosi is alleged to have countered M. Sulyok's bold and uncompromising attitude to the conspiracy by refusing him the initial grant of 250,000 forints, which is the right of every newspaper irrespective of its party affiliations. It may be supposed that M. Sulyok has since obtained financial backing from capitalists and the Church.

#### Roumania

Adversity is fulfilling its time-honoured function in Roumania, but so far it has not got beyond the point of leading Gheorghe Tătărescu, and Iuliu Maniu to opposite sides of the bed, where they are considering whether or not to risk the next step. Naturally their motives vary with the character and abilities of the two men. Dl Tătărescu dislikes the Industrial Bureaux Bill, and has gone so far as to say that the bill will not pass "as long as he is a member of the Government." There has been some modification of the measure, and in the view of some people, the Government intend to force it through Parliament. As noted in last week's *Summary*, the Government are not too happy about things in general, and may be feeling that the moment for action is now—or perhaps never. It would be a mistake to place too much reliance on this, for the fact remains that the Groza Government is backed by Russia, and Russia has shown no signs of relinquishing her hold. Roumanians as

always, are hoping for the best, and Dl Tătărescu is emphatic that things will be altogether different "the very day following the ratification of the Peace Treaty." There is certain to be strenuous opposition to the Bill, and the Social Democrats are at one with Dl Tătărescu's Liberals on the subject. What is even more to the point is that the United Nations could if they wished take exception to the bill on the ground that it would adversely affect the provisions of Article 31 of the Peace Treaty.

Dl Maniu is taking rather a different line, which however, is also dictated by the assurance that everything will be different when the Treaty is ratified. Together with D-ni Brătianu and Petrescu he has addressed a memorandum to the Four-Power Conference at Moscow. This memorandum begins by recalling the conditions under which the election was held and the consequent indignation of the Roumanians and goes on to protest against the numerous arrests of opposition officials which have taken place. It accuses the Government of having taken this action from ulterior motives and primarily with the object of keeping themselves in power. The memorandum appeals to the Conference to bring this situation to an end, as being a violation of the Crimea, Potsdam and Moscow agreements, as well as infringing the Peace Treaty. Dl Maniu does not stop there. He would like to head a movement to overthrow the Government, which he thinks could be carried out with only a limited amount of bloodshed, and which he believes would have the support of the King. The U.S.A. whose advice he has tentatively asked have given him no encouragement. What is quite certain is that if such a *coup* is to be organised and carried through, Maniu is not the man to do it. He has failed too often when it has come to the point of taking action. He can write notes, but leaders will have to be found amongst the younger members of the Peasant Party if Maniu's verbosity is to be translated into action. And it is in the matter of capable leadership that Roumania most conspicuously fails at the present time.

The representatives of the Jewish Agency in Roumania have denounced terrorism and its results and have expressed their condolences with the relatives of the victims. The terrorist campaign, they say, prejudices the Jewish national cause.

An article in *Semnalul* on the forthcoming budget says, "Year after year with each changing Government we have increased the number of our civil servants.

We have now the greatest number of civil servants in Europe in proportion to the population . . . . Let us reflect seriously on the present state of the country . . . . Can we afford to spend three-quarters of our budget on staffs and experts?" *Verb. sap.*

The value of individual shares in the National Bank of Roumania which has been nationalised is stated to be 57,531 lei. This meticulous exactness is striking. In English money it amounts to something less than 2s. 6d. The claims of British holders for repayment do not seem likely to bring in a great deal.

#### Yugoslavia

The Yugoslav appeal for emergency relief has fallen on deaf ears. The State Department, having come to the conclusion that Yugoslavia's present difficulties are the outcome of high rations and mal-administration, have decided that her need is not sufficiently great for her to qualify for emergency relief. They suggest that Yugoslavia should be able to obtain part of her requirements in reparations deliveries of foodstuffs from Bulgaria and Hungary. For the rest she should be able to finance her own purchases abroad, although the supply situation does not permit of such purchases being made in the United States.

Official anti-American feeling in Yugoslavia is now such that this statement could hardly arouse any greater bitterness. Since President Truman's speech America has been clothed with the garb of Hitler.

The food crisis as a topic of news has given precedence to the draft budget, which has been balanced, in contrast to last year's budget in which there was a deficit of seven milliard dinars. But the estimates total the large sum of 85,854,000,000 dinars, more than twice the figure for 1946. The difference may be accounted for by the enormous increase of direct State control over the national economy as the result of the Law of Nationalisation. It is intended that the State sector of economy should be the main source of revenue, and for this purpose, so it is explained, there is to be a rigid system of price control, with elimination of all non-productive expenditure.

There is a significant contrast between recent broadcast transmissions to D.P. camps, in which a special appeal has been made to "Nedíc men, *četnici* and members of the Serbian Volunteer Corps" to return, and an article in *Politika*, for home consumption, on the revision of the electoral registers. According to the paper, it is

essential to prevent all those "who have ever been the enemies of the people" from taking part in the affairs of the country. Such persons may be disfranchised, therefore, at the request of individuals or organisations.

Meanwhile General Danijanovic has placed a reward of 2,000,000 lire on the head of Pavelic, the money having been raised by the sale on the Rome black market of coffee saved from the British Army rations supplied to the Eboli camp.

Reserve officers have been ordered to report for two months' military service, beginning on the 1st April.

The Yugoslav Government have been informed that in the view of His Majesty's Government a Mixed Commission is necessary to settle the question of British property in Yugoslavia (see *Summary* No. 382, 26.2.47). Meanwhile the signature of the Property and Monetary Agreements which have been negotiated in London, and in which the Yugoslav Government have shown considerable interest, is held in abeyance.

#### Greece

Lawlessness in Greece continued and outrages by both Right and Left were reported. In the Peloponnese the notorious right-wing leader, Katsareas, and several of his officers were ambushed and murdered by a Communist band near Sparta on the 20th March. On the 21st, presumably as a reprisal, 200 right-wing adherents, fully armed, surrounded the prison at Gythion. They disarmed the guards and removed 27 Communist prisoners detained for ordinary crimes. Others surrounded the police station and removed five Communist deportees. The 32 prisoners were then taken to the central square of the town and shot dead. There are reports of other minor reprisal incidents in Laconia and the authorities fear further bloodshed. Martial law has, therefore, been proclaimed throughout the province and gendarmerie reinforcements have arrived in Sparta and Gythion.

In Northern Greece the bandits are said to hold the initiative in Western Thrace where 200 of them attacked a gendarmerie company in the Kerdilion area and a train was derailed at the Kirki tunnel. Two more presidents of communities have been murdered, making in all 25 village presidents who have been murdered in Macedonia and Thrace during the last six months. In Salonica itself Zevgos, one of the leading members of KKE and a member of the Central Committee of EAM, was