

By a decree published on the 19th the Chilean Government "suspended" relations with Vichy, Roumania, Hungary and Bulgaria. (The statement made in last week's *Summary* that Chile suspended relations with Vichy in February was made in error.) The Chilean Government will now recognise passports issued by the Fighting French Committee as well as by the French Minister in Chile, who has recently declared his adherence to General Giraud, and who is, it is believed, to take up a post in North Africa. General Giraud has indicated his desire to send a confidential agent to Chile.

General George H. Brett, the United States Commander of the Caribbean Defence Forces, has recently visited Chile, and the Chilean Foreign Minister, Sr. Fernandez Fernandez, has accepted the invitation of Mr. Sumner Welles to accompany President Ríos on his forthcoming visit to the United States. The Finance Committee of Congress has rejected the Government's Economic Bill, designed to stabilise prices, limit profits, control imports and freeze wages. The Minister of Finance, however, is reported to have denied that the Bill will now be abandoned, though opposition to it stems exclusively neither from the Right nor from the Left.

In Mexico the rising cost of living has given cause for serious anxiety. In the case of 18 basic commodities, prices rose by 59 per cent. between December 1940 and December 1942. A Presidential decree of the 2nd March provided for a new system of price control under which a Consortium, composed of the National Board of Distribution and Control, two agricultural banks and one trading company, was made responsible for acquiring and conserving stocks of essential food-stuffs, regulating prices and disposing of surpluses. Prices, however, continued to rise, and the establishment of the Consortium in no way allayed public anxiety, nor did an appeal to the press by Sr. Gaxiola, the Minister of Economy, to co-operate with the Government in its efforts to stabilise prices. This, however, is a problem which is gaining in seriousness in several Latin American countries, not only in Mexico. Combined with shortages, especially of food-stuffs, it is likely to lead to very considerable popular discontent. This was evident in Peru at the time of the visit of Vice-President Wallace. Mr. Eden has sent a cordial message to Sr. Padilla to mark the anniversary of Mexico's entry into the war, and an unexpected but none the less welcome visit has been paid to this country by General Alamillo, the Mexican Military Attaché in Washington.

The Paraguayan President, Sr. Morinigo, has returned to Asunción from his visit to Brazil, and Brazil is now to receive President Peñaranda of Bolivia. President Morinigo's visit is reported to have been made the occasion for a gesture by which Brazil cancelled the Paraguayan debt under the Treaty of 1872 (the end of the war between Paraguay, on the one hand, and Brazil, Argentina and Uruguay on the other), and more substantially, for the signing of trade and shipping agreements.

A Cuban broadcast forecasts the possibility that a secret session of the Cuban Chamber will investigate charges made against the Peruvian Minister, Sr. Cuneo Harrison, who has been accused of acting as an intermediary of the Axis.