

General de Gaulle held a long but uninformative press conference in Paris on the 24th April. He said that the *Rassemblement du Peuple Français* already had several hundred thousand members and 40 regional offices. He said it would intervene at elections to influence opinion but would not fight elections itself. He denied any idea of forming a single party or of wishing to set up a dictatorship, and claimed credit for his own record when he was in power. The comments of the newspapers favourable to General de Gaulle throw more light on his ideas. These papers belong to the group owned by M. Amaury, financier of the M.R.P. press and director of Havas-Publicité, the firm which produced the posters advertising de Gaulle's speeches. Amaury now owns *Le Parisien Libéré* and *Ce Matin*, two old Resistance papers, and has an interest in *Le Figaro* and *Paris-Press*, the paper which is now publishing Colonel Passy's memoirs. He undoubtedly represents the largest individual newspaper concern in the country and intends to use his power in support of General de Gaulle. Thus the formerly independent *Figaro* is showing more favour than hitherto towards the General and wrote of him: "It is certain that in case of emergency a man of his calibre, drawing more moral strength from his isolation than from the leadership of a party, might well be summoned by the whole nation to devote his prestige once again to the service of his country." The same article was, however, sceptical of the efficacy of the R.P.F., which was described by *Le Parisien Libéré* as "the instrument of a mystique" designed to transform the political atmosphere. The General's decision to lead the R.P.F. in person was apparently taken against the advice of many of his supporters and he has not yet made any outstanding converts among party leaders. He is at pains to avoid becoming associated with the extreme Right, but he is already classed in the minds of most Frenchmen as a man of the Right. The M.R.P. seem to have decided that they can afford to oppose the R.P.F. without losing too many adherents, and the return from Moscow of M. Bidault will no doubt serve to strengthen this decision.

Concern has been caused in moderate circles by a speech made by the Communist Minister of National Defence, M. Billoux, on the 25th April, to former members of the *Francs-Tireurs et Partisans* (the communist sponsored Resistance group). He described his conception of a modern democratic army, with 9 to 12 months'

military service, provision for large-scale technical research, and the organisation in peace-time of local security forces based on the factory or the village and immediately available for defence against air invasion or for guerilla action in case of enemy occupation. The idea of entrusting the organisation of such forces to a Communist Minister will clearly not be tolerated by the other parties.

On the 24th April, elections were held throughout France in connection with the new unified social insurance scheme. Contributors were required to elect boards of directors who will have complete charge of their contributions and administer the prescribed benefits. These elections represent a revision, of M.R.P. inspiration, of the original arrangements whereby the boards were nominated by the Trade Unions. The main provisions of the new system are, on the one hand, allowances carefully calculated to encourage large families, and, on the other, old age pensions, including increased benefits for those who stay at work after the age of 60. It thus reflects and seeks to remedy one of France's greatest problems of the moment, that of manpower. Medical treatment and cash allowances for illness are also provided, but it is not proposed to nationalise, at least for the time being, the country's health services. The only organised opposition to the unification of the system has come from non-salaried workers such as tradesmen and self-employed craftsmen (supported in many areas by the Christian Trade Unions—C.F.T.C.), whom it was originally proposed to treat in exactly the same way as the employed workers. The accommodating attitude of the Communist Minister of Labour, M. Croizat, indicated, however, that this category of middle-class workers may be allowed an entirely independent pensions scheme. Moderate opinion has been alarmed by Socialist propaganda tending to discourage individual saving and by the prospects that the C.G.T. adherents will vote in larger numbers than the less-organised but equally numerous non-unionists and Catholic workers. The M.R.P. therefore urged the necessity of a high poll, and although the *Confédération Générale du Travail* was by far the largest active body in the "electoral campaign," it appears from the partial results available that its candidates have not done as well as was expected and that on an average 60 per cent. of the votes have gone to the C.G.T., 20 per cent. to the C.F.T.C. and the rest to the friendly societies, parents associations, etc.

The crisis which arises at this time each year over wheat supplies has roused the press to unusual anger since last year's wheat harvest was so good that no difficulty had been expected in lasting out until the new harvest. It appears, however, that the prospect of a very poor harvest this year, due to the disastrous winter frosts, is causing farmers to hoard their wheat so that deliveries are falling short, while imports from America are behind schedule and too much home-grown wheat has been fed to livestock. In Paris last week a quarter of the bakeries closed because of lack of flour. The Government has now been forced to reduce the bread ration from 300 to 250 grams a day and to prohibit the making of all cakes. It is anticipated, moreover, that the reduced ration will have to remain in force until August 1948, and that France will need imports of two-and-a-half million tons of wheat in 1947-8. The blow is particularly bitter in view of the fact that bread rationing, though legally in force this winter, had virtually lapsed.

SWITZERLAND

As a result of Swedish restrictions on imports there has been a certain amount of heart burning in Swiss commercial circles on the question of currency revaluation. Switzerland takes credit for having at an early date determined to maintain her policy of a stable currency. It is being emphasized that Sweden will adhere to the provisions of her commercial agreement with Switzerland, which is valid until the 30th June, 1947.

Negotiations with Czecho-Slovakia have resulted in a new commercial and payments agreement, valid until the 29th February, 1948. Swiss exports will be mainly machinery, instruments, textiles, watches, agricultural produce, and dyestuffs. Imports from Czecho-Slovakia will include sugar, agricultural produce, iron, paper, footwear, machines, chemicals, porcelain, glass and earthenware. In view of the favourable development of trade between the two countries quotas have been considerably extended. In addition, it is agreed that the interest on Swiss investments in Czechoslovakia may be transferred, as well as property of Swiss emigrants returning from that country.

The housing shortage, which affects all chief towns in Switzerland, is particularly serious in Zürich, where the number of persons for whom emergency accommodation has to be found is rapidly increasing.

Figures up to the middle of March showed that 1,530 persons had been housed in that way. To meet the situation the authorities are considering a prohibition on removals into Zürich, the use of military barracks for emergency accommodation, and the extension of protection for tenants to cover even those in single rooms. It is hoped that the favourable conditions which at present apply in the building industry will bring about some alleviation of the situation this year.

The provisional returns of the Federal Railways for 1946 show total receipts of 581 million francs, as compared with the estimated revenue of 486 million francs. A readjustment of tariffs for both goods and passengers, which took effect from the 1st April, is expected to yield another 5 per cent.

The money market remains liquid. The Confederation has recently redeemed loans to the value of 175 million francs. New issues of public loans and industrial securities are quickly taken up. Indeed, in the expectation of substantial dividends, several Swiss industrial shares have recently shown a rise on the local stock exchange. The average yield of Federal Bonds is 3.05 per cent.

All restrictions on the use of electricity have been cancelled throughout Switzerland.

ITALY

On the 20th April elections were held in Sicily for the new Regional Parliament in accordance with the Statute granted to the Island last May under the terms of which Sicily was to be given autonomy within the political unity and constitutional laws of the Italian Republic. The whole question of Regional autonomies in Italy has still to be threshed out in the Constituent Assembly, and there is likely to be strong opposition to the proposed granting of special autonomy to Sicily, Sardinia, Val d'Aosta and Trentino-Alto Adige as well as to the general plan of provincial and regional decentralisation. The holding of elections for a Regional Parliament in Sicily is considered in many quarters as premature, but the Government have evidently felt that the holding of elections might placate the Sicilians and at least enable the Sicilian point of view to be put forward when the question of autonomy is discussed by the Constituent Assembly. As far as any amelioration of economic conditions is concerned, little or nothing has been done to appease the Sicilians, whose ideas of economic autonomy persist,