

POLITICAL ECONOMY

CZECHO-SLOVAKIA

FAMINE IN RUTHENIA

On 28th November the Polish Telegraphic Bureau reported that the difficulties of transport and supply in Ruthenia had assumed alarming proportions. In the Verhovina district, where the famine is greatest, the people have lost all means of earning a livelihood. Hitherto they were mainly occupied sending wood down to the Lowlands, but when the Hungarian frontier was closed this became impossible. Nor can the timber be sent to the western parts of the Republic, for intercourse between east and west has practically come to a standstill. In Huszt and Nagyszöllös certain articles of consumption, such as sugar and flour, are doled out in limited quantities, none without tickets. Prices have risen by 20—30%. The people of the Verhovina district — about one-third of the total population of the province — are in desperate straits. Rumania has promised a large quantity of maize to feed the people, but only two or three wagon loads can be sent at a time by lorry to the centres from which it is being distributed. — y —

CZECH COLONISTS MUST NOT BE ALLOWED TO SETTLE IN DISMEMBERED SLOVAKIA

The following is a quotation from the "Slovak" of 6th November:

"The refugee Czech colonists have been told by Prague that they should not return to Czech territory, as there was no possibility of providing for them there. The Slovaks protest energetically against their settlement in Slovakia, since the Slovaks have too little land themselves. This protest is being ignored by those in power in Prague, and the Czech colonists are being settled in Slovakia, chiefly on State property. At Viglas (an estate belonging to the State) sixty Czech families have been settled. To reassure them the Slovaks are told that this is merely a temporary arrangement." — y —

REDUCTION OF WORK IN RUTHENIA

The salt mines of Aknaszlatina in Ruthenia have decided to reduce the working time of the employees to two days a week; the Klotild-factory has reduced its working time from eight to five hours a day. Timber floating has been suspended almost completely. Of the annual quota of floated timber 7500 cubic metres are still to be conveyed from the yards.

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HUNGARY

VALUE OF HUNGARY'S EXPORTS IN FIRST FOUR
MONTHS OF ECONOMIC YEAR AMOUNTED TO 185.9
MILLION PENGŐ

It appears from the records of the first four months of the economic year beginning on July 1st that the value of Hungary's exports during that period amounted to 185.9 million pengő as against 184.6 millions in the same period last year. The value of exports, therefore, shows a slight improvement in a period when — in spite of the good harvest — the development of political events in the world by no means encouraged export business.

The value of the articles exported during the above period is divided as follows: live stock 41.8 mil. p., agrarian articles 120.4 mil., victualling industry 7.1 mil., other industries 53.7 mil., ores and other subsidiary materials 4.7 million pengő. It is also important to remember that in the case of manufactured goods we have now reached a stage when our exports in these goods are not only level with our imports in them but actually exceed the latter in value.

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BUILDING OF A 100 KILOM. CANAL BETWEEN THE
DANUBE AND THE TISZA

A monumental scheme recently elaborated by the Hungarian Government comprises such hydrotechnical problems as the improvement of waterways and of the navigability of rivers; the costs are estimated at 26 million pengő. It also includes — as a future possibility — the canalization of the main tributaries of the Danube and the Tisza. Plans for the canalization of the river Körös are already complete, together with plans referring to a 100 kilometres long canal between the Danube and the Tisza. After this scheme has been realized the total length of Hungary's waterways will increase from 1114 to 2486 kilometres. Further plans are now being drafted for the irrigation of the Great Hungarian Plain. According to these plans the

swollen water of the river Tisza will be diverted into a canal 102 kilometres long which is to serve the purposes of irrigation as well as of navigation. By these means, the main canal and its branches will solve the problem of the irrigation of 120.000 hectares without the employment of any special devices for raising the water.

Natural conditions leave little room for the exploitation of water power. Nevertheless, Hungarian economists are now working on plans for a better exploitation of that power, and some of them are already complete. Such are: 1, The building of a power station on the Moson branch of the Danube with a volume of 300 cubic metres of water, a fall of 14 meters, and a capacity of 42.000 kilowatts. 2, The building of a power station on the river Hernád, near the village of Tiszaluc, with a volume of 40 cubic m. of water, a fall of 13 metres, and a total capacity of 4000 kilowatts. The costs of the latter are estimated at 5 million pengő. The issuing of an official permit for the building of these two power stations is already under way. In connection with the problem of irrigation another power station may be built at the point where the Tisza is to be raised. This would have a volume of 100—150 cubic metres of water and a fall of 4 to 8 metres; its lowest capacity is calculated at 4000 kilowatts, and the costs would amount to 6.5 million pengő. These are some of the more outstanding public works which the Hungarian Government intends to commence in the near future. — y —

SUGAR PRICES REDUCED TO PRE-WAR LEVEL

Among the exceedingly important social and hygienic measures recently taken by the Hungarian Government is the reduction of sugar prices to the pre-war level. The new prices fixed by the Government are 22 fillérs lower in the Capital and 24 fillérs lower in the country. In other words, the price of granulated sugar has been reduced from P. 1.28 p. kg. to P. 1.06 p. kg. in Budapest and from P. 1.32 to P. 1.08 in the country. Considering the total consumption of the country this means 25 million pengő less expense in a year to the consumers. This result could certainly not have been achieved without the unselfish and understanding cooperation of all factors concerned, such as the State, the sugar refineries and the sugar beet growers. — In view of the great social, hygienic and economic importance of this problem, the State ignored the purely fiscal side of the question and solved it by a spontaneous reduction of the excise duty on sugar. The refineries, too, helped the Government with great understanding and undertook to cut their selling prices down to an even lower level than could be expected of them on account of strict business calculations. And, last but not least, the Hun-

garian sugar-beet growers also contributed towards this reduction of prices by giving up their prospects of higher profits resulting from an eventual growth of the home market and better export possibilities. With this highly important social act of the Government the prices of Hungarian sugar have now come down to the level of sugar prices in Germany, Italy and Yugoslavia.

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RUMANIA

FURTHER DECLINE IN RUMANIAN OIL PRODUCTION

The November 12 issue of the "Excelsior", a Rumanian weekly dealing with economy and finance, contains the following report:

Because of the steady decline in production, the petroleum question is one deserving the closest attention.

The quantity produced in the first nine months of the current year was 4.983.813 tons, as compared with 5.418.000 tons in the same period last year. The figures for the first nine months of the years 1936, 1935 and 1934 were 609.683 — 2.228.313 — and 6.233.436 tons respectively.

More alarming still is the way boring operations are falling off. Only 229.952 metres were bored in the first nine months of the year, as against 303.137 in the same period last year. The decline is therefore about 24%. In the preceding years the figures were as follows:

1936	241.545 metres
1935	238.778 metres
1934	282.405 metres

The "Excelsior" states that compared with last year the decline in the quantity of oil produced during the first nine months was only 8%; that it was no more, was due mainly to intensive production, especially in the rich *Tintea* and *Ceptura* districts. According to this newspaper, the decline in production was not caused by economic or technical factors, but arose from the fact that the Mining Laws do not grant any privileges to petroleum producers. These laws should therefore be modified so as to afford the maximum of support to the petroleum companies.

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YUGOSLAVIA

PROSPECTING FOR OIL TO BEGIN EARLY NEXT YEAR
IN YUGOSLAVIA

A report from Belgrade states that the negotiations re prospecting for oil in Yugoslavia which were in progress between the management of the "Monopol" and the "Yugoslav Prospecting Co. Ltd." are nearing a close. An agreement is to be signed shortly, which will empower the Company to prospect for oil in certain parts of the country and exploit it if found. The Company is to receive a concession to prospect in the Muraköz district, where it is expected that rich fields will be found, since this is the region nearest the oil wells in Hungary. The Yugoslav Prospecting Co. Ltd. is backed by the Standard Oil Co. of New Jersey, which will place four million dollars at the Yugoslav company's disposal for prospecting purposes. In connection with these negotiations two world-famed geologists, Professors Taussig and Papp, are at present in Belgrade. Two members of the Board of the Standard Oil Company are also in that city.

Once the agreement is signed, the Company will begin prospecting for oil early next year. Besides the Yugoslav Prospecting Co. Ltd. there are two other companies at work prospecting for oil in Yugoslavia, the "Medjumursko petrolejsko" Co. and the "Pannonia" Co. Ltd. — y —

ENORMOUS GROWTH OF YUGOSLAVIA'S TEXTILE
INDUSTRY

With the exception of the Zagreb—Karlovitz industrial area the State of Yugoslavia, with its 15 million inhabitants, had practically no textile industries worth mentioning at the time of its creation. Today, it has whole regions devoted to those industries, the chief of which are Paracin, Leskovatz, Belgrade and Zimony (Zemun). At present manufacturing industries in Yugoslavia employ 400.000 hands, of whom a round 70.000 are engaged in the textile factories. The number of the latter is 65 with 200.000 spindles and 13.000 looms. The percentage of the raw materials imported by the textile industries has risen from 8% to 30%, and Yugoslavia's imports of manufactured textile goods has sunk from 77% to 25% in ten years, which means that the inland textile industries are able to supply 75% of the country's needs. — y —

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