

POLITICAL ECONOMY

BULGARIA

BULGARIA'S FOREIGN TRADE BALANCE

A recent issue of "Aussenhandel", a magazine appearing in Sofia that deals with Bulgaria's foreign trade, gives the following figures for the first half of the present year:

	Imports	Exports
	million levas	
First half of 1940	2853	2696
First half of 1941	3301	2628
plus:	448	minus: 68

In other words *the balance for the first half of 1941 is unfavourable by 673 million levas as compared with 157 million in the same period last year.* The balance does not, however, take into account the quantities supplied to the German authorities in Bulgaria, but as these in fact may be considered exports, it is obvious that the balance is not more unfavourable this year than it was last year. We get an entirely different picture if instead of the balance of value we examine the balance of volume, for compared with last year's 483.000 tons this year's exports were only 142.000 tons. The average value per ton has risen from 18.000 to 55.800 levas, the explanation of which is that the exportation of cheap and bulky goods has fallen off and that of tobacco, vegetables, strawberries and other kinds of fruit has increased.

The figures given by the Bulgarian Statistical Office for the period from January to August present the balance of foreign trade in an even more unfavourable light.

	Imports		Exports		Balance
	1000 t. mill.	levas	1000 t. mill.	levas	mill. levas
1940 Jan—Augt	230.6	3845.7	686.9	3632.9	— 212.8
1941 Jan—Augt	254.4	5164	217.2	3975.5	— 1188.5

While imports have increased both in volume and value, and much more greatly in value than in volume, exports have considerably decreased in volume, but slightly increased in value. The increase in imports is accounted for by State orders of machinery and war materials, the decrease in exports by the circumstance that less grain, coal and ore was exported. That despite this the value of Bulgaria's exports has increased is due to the higher price of the small quantity of tobacco exported.

The unfavourable balance for the half of the year is not regarded with anxiety in Bulgaria, since it is in the autumn months that her exports are the greatest, and it is hoped that by the end of the year exports and imports will balance each other. The situation of the leather and rubber industries, however, has become very difficult owing to their dependence on foreign countries for their raw materials. ("Stud", November 29.)

CROATIA

MAIN PROVISIONS OF THE PAYMENT AGREEMENT BETWEEN HUNGARY AND CROATIA

In terms of the payment agreement between Hungary and Croatia that came into force on 1st December 1941, in Croatia payments must be made into the *National Bank of Croatia* by way of banks authorised to deal in foreign currencies and exchange; in Hungary they must be made into the *National Bank of Hungary*. The collective accounts will be kept in pengő, therefore liabilities owing to Hungarian creditors must be made out in pengő. *The rate of exchange has been fixed at 1206 kuna: 100 pengő.*

This rate of exchange applies to new contracts, but it may also be used in the case of contracts made before 1st December if the contracting parties are agreeable, or if their contracts have been made on the understanding that settlement will be made according to the clearing rate of exchange.

The settlement of older liabilities, especially those contracted before 10th April 1941, will be arranged by negotiation at a later date. For the present it has been decided that the payment of these older liabilities may be made on the above terms if the contracting parties are agreeable.

Private compensation accounts approved before 1st December 1941 must be settled in terms of the approbation. In future dealings of this nature will be subject to the permission of the foreign exchange authorities in both countries. Clearing payments are to be effected in their chronological order, but that creditors should not have to wait long for their money advance payments may be made. ("Deutsche Zeitung in Kroatien", December 6.)

HUNGARY

1.200.000 CADASTRAL YOKES REQUISITIONED IN TWENTY YEARS BY HUNGARIAN LAND REFORM TRIBUNALS

On 31st December 1941 the Hungarian Land Reform Tribunals ceased to exist. These Tribunals were created under Act XXXVI of 1920, and for two decades, doing pioneer work

and overcoming great difficulties, they strove to perform the tasks assigned to them. The main achievements of these two decades of work were as follows: In order to have land to distribute they asked permission to institute expropriation proceedings in 3567 villages. To collect the data required an official was sent by the competent Tribunal to each village, and on the basis of the data thus collected orders to institute those proceedings in 3326 villages were issued. Land has now been requisitioned in 3212 villages. All in all, the Tribunals acquired 879.550 cadastral yokes. Of these 259.927 were allotted for building-sites, 412.537 were made into small holdings and on the rest 251 model and small family estates were created, 936 common pastures established and 55 mediumsized estates formed. In connection with the allotment of land for building-sites, 37 separate settlements were established, and these may later become independent communities.

The area of the land that has been used for the purposes of the Land Reform, including what has been bought and what has been turned into small leaseholds, exceeds 1.200.000 cadastral yokes.

As the tasks of the Land Reform Tribunals can now be performed more efficiently by the other authorities entrusted with affairs connected with land policy, the former have ceased to function.

SERBIA

SERBIA WILL PAY THE LIABILITIES CONTRACTED BEFORE THE OUTBREAK OF THE WAR

The following statement was issued by the National Bank of Serbia: In terms of the agreement concerning the settlement of debts contracted before 13th April 1941, notice is hereby given to all concerned that in order to satisfy the claims of creditors living in Hungary (except those in the former Yugoslav areas now restored) the National Bank of Serbia has opened a Dinar Settlement Account with the National Bank of Hungary by means of which the following payments may be made:

1. Payment for goods imported or exported to Hungary. Goods which were delivered from former Yugoslav areas that now belong to a third State by Serb exporters on their own invoices count as goods exported from Serbia.

2. *Incidental expenses connected with the delivery of goods classed under heading 1.*

3. *The cancelling of advance payments* in cases where the goods ordered could not be delivered because of the war.

4. *Payments for services unconnected with the exchange of commodities.*

5. *Other payments agreed upon by the National Bank of Serbia and the National Bank of Hungary.*

Should the sum owing have been calculated in pengő, debtor and creditor shall agree as to the rate of exchange. Should they fail to agree, the Serb debtor shall turn to the National Bank of Serbia. If the sums involved are calculated in foreign exchanges (not dinar or pengő) the rate of exchange shall be determined at the time of payment by way of the National Bank of Serbia according to the official average rate of exchange quoted in Belgrade before the outbreak of hostilities.

Liabilities contracted between 13th April 1941 and 28th July 1941 may also be settled in the manner described above, but in this case the consent of the National Bank of Serbia and the National Bank of Hungary is required. The time limit for payments to be made on this basis is 31st December 1941. The question of the settlement of liabilities between persons living in Serbia and in the areas restored to Hungary will be decided at a later date. ("Reggeli Ujság", December 13.)

SLOVAKIA

VOLUME OF EXCHANGE OF COMMODITIES BETWEEN HUNGARY AND SLOVAKIA INCREASED

The *Slovak Telegraph* Bureau reports: The questions of trade between Slovakia and Hungary were discussed lately in Budapest. As a result certain quotas were increased. *The value of that trade has now reached the amount of 316 million crowns.* Slovakia will send a larger quantity of mining timber to Hungary to make up the shortage in the quotas of other commodities stipulated by the trade agreement between the two countries.

The Ordinance issued by the Slovak Ministry of Economy, which became operative on 30th November, — says the Slovak Telegraph Bureau, — introduces new regulations applying to the exchange of certain commodities between Slovakia and Hungary. In terms thereof a licence to export to Hungary goods that come under the heading "miscellaneous commodities" will be issued only to those who in compliance with the orders of the Slovak Ministry for Economy subjoin to their application for an export licence a certificate from the National Bank of Slovakia to the effect that they have paid into the "*Separate Hungarian Settlement Fund*" managed by the Bank 17% of the value of the goods to be exported by them.

Slovak importers importing into Slovakia from Hungary goods belonging to the category "*miscellaneous commodities*" whose contracts were made after this Ordinance came into force, and who pay for these goods within 30 days of their passing through the customs, are entitled to a refund premium of 17% of the actual sums paid, to be assigned to them out of the "*Separate Hungarian Settlement Fund*". The certificate entitling them to this refundment is to be issued by the National Bank of Slovakia

on production of a receipt of the payments effected on the "Hungarian Invoices" dealt with by the I. Savings Bank of Pozsony.

These new measures do not apply to exports covered by the export licences issued before 30th November, but under the Ordinance a prolongation of export licences is possible.

PIG-BREEDING COMPULSORY IN SLOVAKIA

To ensure an adequate supply of fat, the central bureau dealing with this problem has issued an order making the breeding, fattening and sale of pigs compulsory in Slovakia. The chief provisions of this order, which appeared in the latest issue of the Official Gazette, are as follows:

Every person who farms at least one hectare of land must make arrangements to produce the quantity of fat required by his own family and his farm servants. Besides this, *each farmer must, in the period between 1st January and 31st December 1942, breed, fatten and sell to the "Slovpol" a certain number of pigs.* That number is determined as follows: In the sugar-beet and wheat-growing areas the farmer who cultivates at least 4 hectares of land and whose family does not exceed five in number, must sell to the "Slovpol" one fattened pig weighing 110 kilogrammes live weight; in the fodder and potato-growing districts the ratio required is one pig of this weight to every six hectares. If the farmer's family consists of more than five persons, the ratio is one fattened pig of the above weight to every six hectares in the sugar-beet and wheat-growing areas and one to every eight hectares in other areas. Irrespectively of the nature of his crops and the number of his family, the farmer must sell to the "Slovpol" 35 kilogrammes live weight for every further entire hectare he possesses. All pig breeders who in 1942 sell more pigs to the "Slovpol" than they are obliged to, in terms of the order, will receive a premium of one crown per kilogramme live weight for every kilogramme above the stipulated 110. All breeders must have their pigs inoculated against contagious diseases.

Commenting on this order, the "Slovak Telegraph Bureau" says: — "*We must be prepared to find that the supply of grain for the fattening of pigs will be insufficient this year.* This is the reason why the order applies to the whole of 1942. Farmers who have some grain left over from this year's crops may fatten the pigs in the spring of 1942. Those who have none can for the present fatten them up to 70 or 80 kilogrammes on kitchen refuse (swill), and then fatten them up to the required weight when next year's crops have been harvested.

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