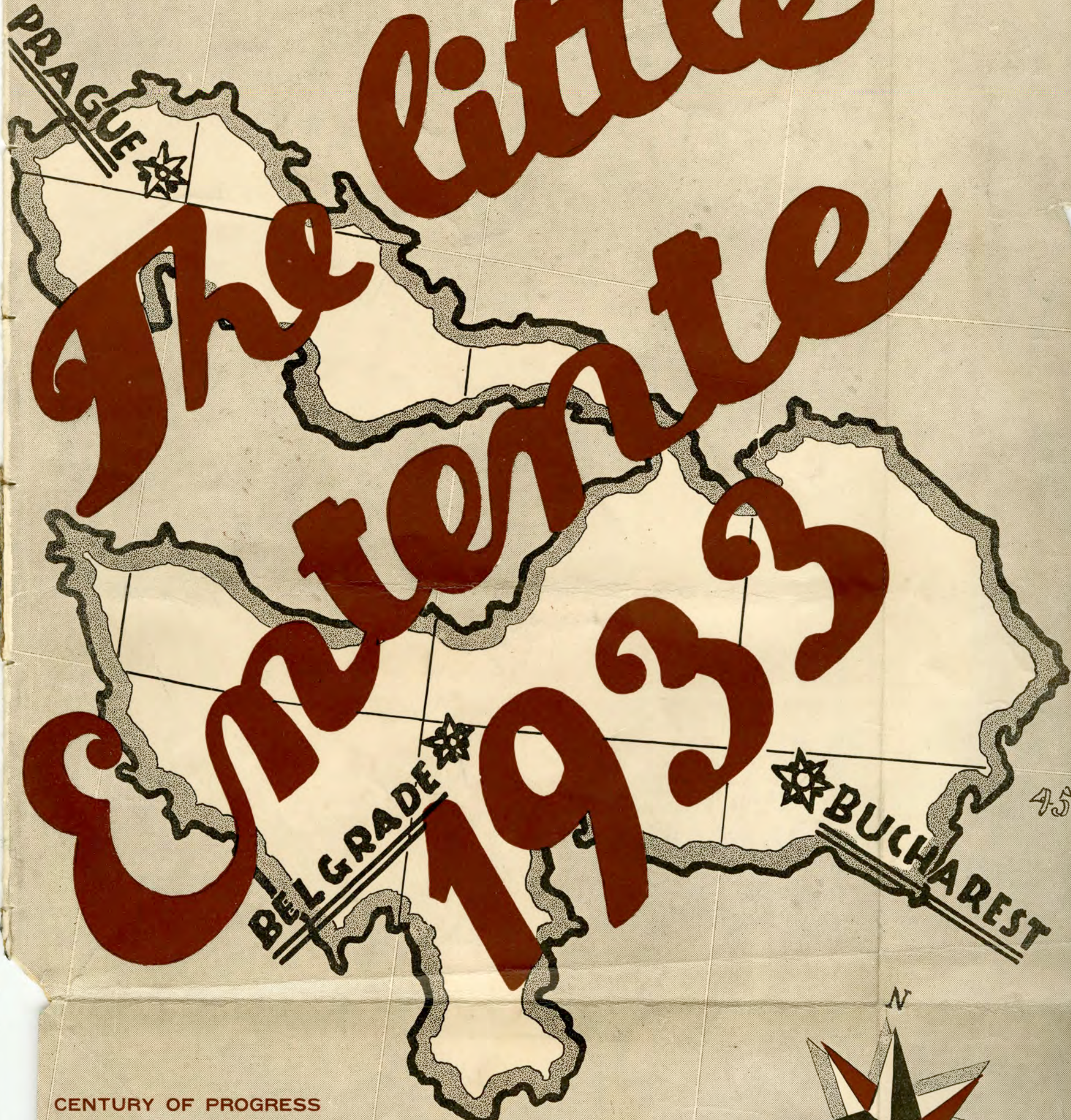
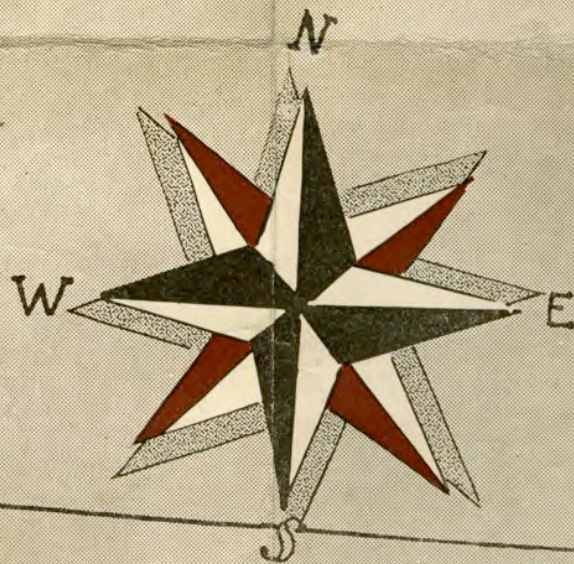
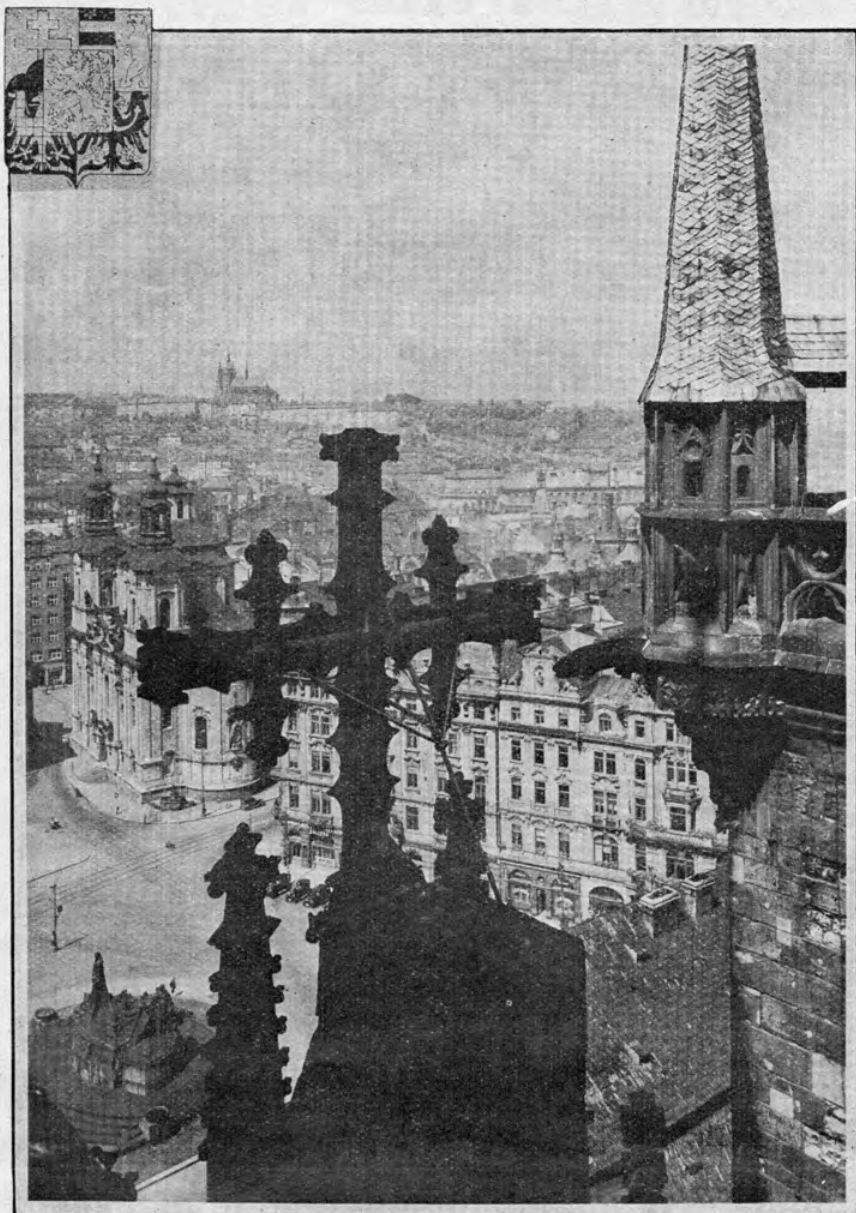




CENTURY OF PROGRESS
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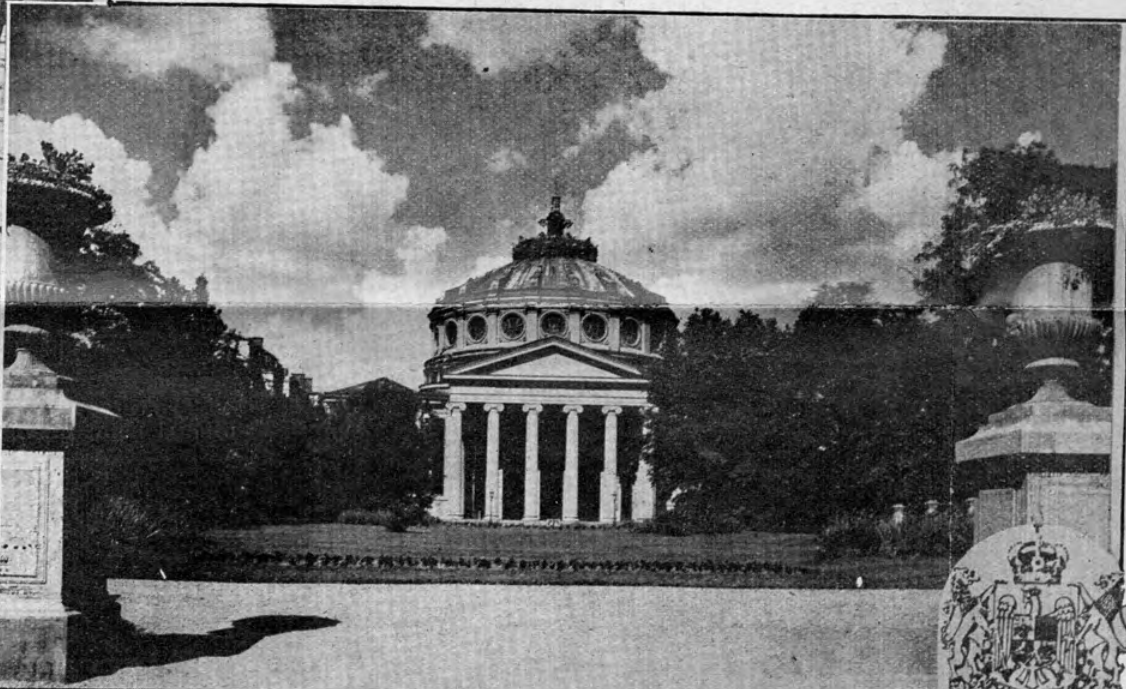




PRAGUE



BELGRADE



BUCHAREST

THE political coalition known today as the LITTLE ENTENTE actually had its birth on American soil. It was in Philadelphia, in the autumn of 1918, that T. G. Masaryk, now President of the Czechoslovak Republic, had organized, and President Wilson had sponsored, the Middle European Union, known also as the Central European Democratic Union. Towards the end of the war, this Union voted to undertake all diplomatic action in common. It was this the first concerted action taken by the three countries that now make up the LITTLE ENTENTE.

Fifteen years of post-war evolution have made of this spontaneous "union" the strong political unit which is the LITTLE ENTENTE today. A glance at the map of Europe, however, suffices to show that it is not merely an accidental political coalition, but the union of old friends and neighbors, attached to one another by indelible ties of blood, race and religion, and inhabiting the same lands around the Danube basin.

Meanwhile, Prague, Bucharest and Belgrade, the capitals of Czechoslovakia, Roumania and Yugoslavia respectively, have grown into very important cities, being centers not only of their own national renaissance, but of a new self-conscious European power.

Concerted action has now been decided upon also in the economic field, the LITTLE ENTENTE conference held last June in Prague having put up a joint "unification program" which these three countries hope will help put their household in proper shape again. The program includes the unification of means of transportation, the standardization of industrial and agricultural products, and eventual curtailment of some lines of production in accordance with the industrial development and climatic conditions of the three countries.

It is the aim of this magazine to familiarize the American reader with the idea of the LITTLE ENTENTE, with its ideals and aims, and with the historical, cultural and ethnographic characteristics of the three countries, as well as with their economic and touristic resources and potentialities.

A.M.E.



THE LITTLE ENTENTE

"WHEN there is threat of war, the answer to that threat should be not war, but the organization of peace."

It would be difficult if not impossible to find a sentence which in few words would better characterize the birth and the history of the Little Entente. It was uttered by M. Nicholas Titulesco at Bucharest last March in a discussion of the pact for reorganizing the Entente. The history and the evolution of the Entente very well illustrate the words of the Roumanian Minister of Foreign Affairs.

The principle of nationalities is one of those generous creations of the 19th century, related to the spirit of individualism and liberalism. From the international point of view, the principle of nationalities goes hand in hand with democratic tendencies, for the triumph of which most of the nations of the world fought in the Great War. This principle was practically carried out when treaties following this war established a whole series of states either partly or altogether new.

Shortly after the War the new states of Central Europe decided to get together and organize a single ensemble.

Whether one disagrees with the formation of this group or not, it was apparently the only reasonable and realistic policy open to these states. For whether one accepts the teachings of history or not, one thing cannot be denied, that history has its laws and under them units group together and form new units, comparable to living organisms. Such groups may include several peoples and their assembling together into one group is a natural result of their understanding of each other and of each other's problems, understanding which is always an active and creative principle.

The three so-called Succession States of the former Austro-Hungarian Empire, that is Czechoslovakia, Roumania, and Yugoslavia, had acquired nearly the same historical experiences and shared equal interests. Circumstances again brought them close together and they consequently formed a group.

The origins of the Little Entente were a bilateral defensive treaty of alliance between Yugoslavia and Czechoslovakia signed August 14, 1920; a similar treaty between Roumania and Czechoslovakia signed April 23, 1921; and a third similar treaty between Yugoslavia and Roumania signed June 4, 1921. These treaties consecrated common interests and similar experiences and were concluded in a strictly defensive spirit. They have exclusively a character of bilateral treaties of defensive alliance and have as their aim the safeguarding of peace in central and southeast Europe. All of them were duly registered at the Secretariat of the League of Nations at Geneva.

The Little Entente was thus constituted, juridically and in fact. It wished above all to prevent the return of the pre-War conditions when the little states of central Europe and of the Balkans were the scene of rivalries and political jealousies of the great powers which there indulged dangerous dreams and attempted to establish diverse and divergent hegemonies — hegemonies which could easily have sown discord and planted the germs of a new war.

It also wished and has never ceased to wish to be the element of conciliation and the initiator of collaboration between the states of central Europe and southeast Europe. It wished to ensure exterior security and as rapidly as possible establish close political and economic relations and afford an opportunity for its members to give their time to social reform.

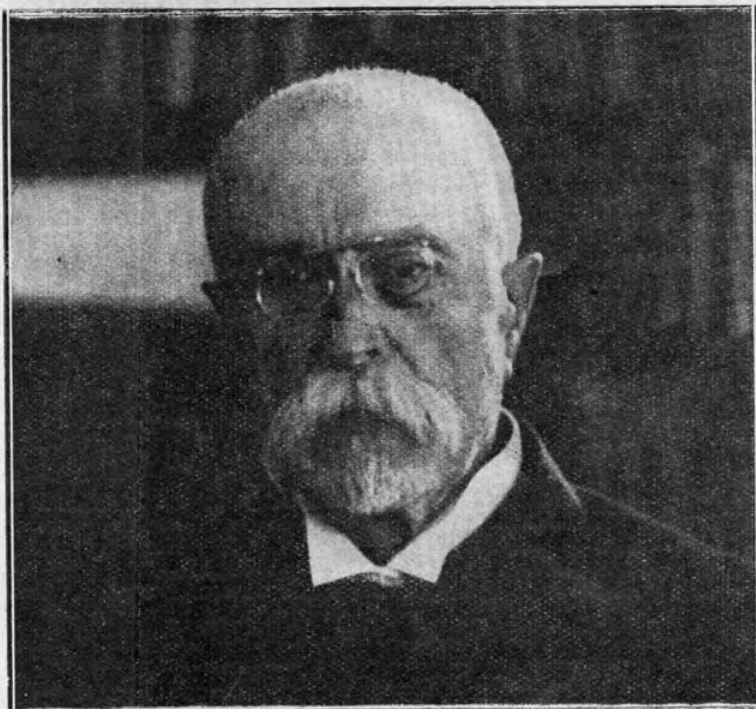
The Little Entente, so conceived and established, faced a vast political and economic program.

It possesses large resources. It has the advantages of extensive territories; of a favorable geographical situation with transportation to north, south, east, and central Europe, offering possibilities of development of great natural wealth; of varied climate; and of a young and vigorous population, a population biologically and intellectually suitable.

In the first place is Roumania, with a surface of 122,282 square miles and a population of 18,857,674; then Yugoslavia with 96,134 square miles and a population of 13,929,988; and finally Czechoslovakia, with only 54,241 square miles but a denser population, namely 14,723,000 inhabitants. These three states, then, total more than 270,000 square miles and nearly 50,000,000 inhabitants.

The Little Entente illustrates in international politics the democratic spirit which plays a large part in modern activity, activity which is centralized in and to an extent regulated by the League of Nations.

The three member states are politically mature and from the international point of view they are factors equal to all the other states which recognize no other authority over them except the League of Nations, to the extent provided for in the League of Nations Pact, such as it was accepted and approved by the Little Entente and by the others. For from the very beginning the Entente was conceived



1.—Thomas G. Masaryk, President of the Czechoslovak Republic.

2.—King Carol II of Roumania.

3.—King Alexander of Yugoslavia.

a first step toward a U. S. of Europe

in a spirit of purely defensive alliance, and has never wished to be anything but a guarantee of peace and of equilibrium, a group open to the friendly participation of other states desirous of collaborating in this highly important work and allowing the same normal development of the member states.

The three members, although only middlesized, will in a few decades—and you need neither to be expert at figures nor a prophet to foresee it—grow, Czechoslovakia to some 20,000,000 inhabitants, Roumania to about 23,000,000, and Yugoslavia to 20,000,000.

Established in 1921, the Little Entente has never ceased to evolve and its evolution has never ceased to strengthen its unified character, and its character of guardian of treaties and of organizer of peace. It has steadily consolidated its international position, obtained a seat in the Council of the League of Nations, and aiding in the maintenance of peace in its part of Europe and a spirit of calm that, but for the interruption by the world economic crisis, would have brought splendid prosperity. After re-examining the statute governing it at the Little Entente conference of 1930 in the light of its first ten years of functioning, it concluded a pact of re-organization and signed it at Geneva on February 16, 1933. This pact is the instrument of a new type of alliance, a model of moderate, pacific organization.

This last pact created a permanent Council of the Little Entente, which comprises the Ministers of Foreign Affairs of the three countries, and constitutes the directive organ of the common policy of the signatories, in which all decisions are taken unanimously.

Besides the regular activity of this Council, it meets three times a year, sometimes at Geneva, sometimes in one of the capitals of the three member states. The Ministers of Foreign Affairs take turns at the chairmanship, each holding it a year at a time. The pact requires that any political treaty or any unilateral act, or any economic accord comporting any change in the policy of one of the member states vis-a-vis a non-member state, or any act which would be of common interest, must have the unanimous consent of the Council.

Attached to the Council will be an economic council which will concern itself with the common economic interests of the three states, whether mutual or with states outside the Entente. Temporary commissions may be formed if circumstances make it desirable. There will be a permanent secretariat which will have one section operating permanently at Geneva. This secretariat will work with the chairman of the Council. The Pact automatically and indefinitely renews all alliance and arbitration treaties which now exist between the three states.

The pacifism of the three states in the Little Entente is organized and has its roots in the fundamental necessities of their existence. The policy of rapprochement towards its neighbors is one of the most noteworthy and revelatory features of the Little Entente. It was conceived as a factor for the reorganization of central Europe, destined to reach an accord with Italy as well as with Germany and Soviet Russia. That it will always ably defend its vital and legitimate interests is due to the fact that its vigilance goes hand in hand with its desire for peace. It turns the same friendly face towards all other states, and that attitude is true both politically and economically.

Mr. Edward Benesh, Czechoslovak Minister of Foreign Affairs, said before the Chamber of Deputies at Prague, when the question of the Four-Power Pact and a revision of frontiers was discussed:

"We, the Little Entente, do not ask nor have we ever asked for the rank of great power in European politics. As for the rank of great power, every great state or association of states wins that rank by its policies, by its weight and its importance, by its power, by its wealth and the strength of its civilization, and not by announcements or diplomatic acts. We are as conscious of our strength as we are of our insufficiency, and we recognize fully that the great powers have great obligations in European politics.

"When, however, the press of the whole world speaks spontaneously of a 'fifth great power,' following the signature of the Little Entente Pact, it has only given expression to a great truth."

These perspicacious words echo those others spoken twelve years ago by Take Ionescu, famous Roumanian statesman and one of the originators of the Little Entente idea:

"It is because the Little Entente has its roots in a truth that surpasses a mere defense against this or that neighbor, that it is durable and may count on a splendid future."

A group whose three member states are determined to develop normally and unhampered, and by their collaboration to help organize and assure European peace, the Little Entente may very well some day appear as the realistic nucleus of a future federation of Europe.



- 4.—Dr. Edward Benesh, Czechoslovak Minister of Foreign Affairs.
- 5.—Mr. Nicholas Titulescu, Roumanian Minister of Foreign Affairs.
- 6.—Mr. Bogoljub Jevtitch, Yugoslav Minister of Foreign Affairs.

Peasants Of Three Countries Cling To Their National Garb



Slovak peasant women wear their best self-embroidered dresses to church.



Procession in a Czechoslovak village, from a painting by Uprka.



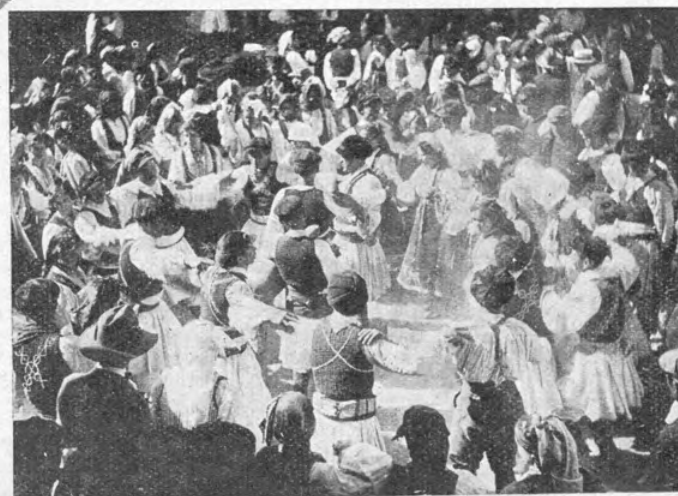
This quaint little village cottage is typical of the Roumanian landscape.



Ox-cart, from a painting by the Roumanian master Grigorescu.



«In Dalmatia every girl is a movie star». So says George Bernard Shaw. And here are two uncrowned beauties.



The «Kolo» is the national communal dance of Yugoslav peoples.



Sunday morning in a Croat village.

Arts and Letters in the Countries of the Little Entente



Nicolae Grigorescu (Roumania):
Gipsy Girl.

THE beginnings of the intellectual life of the Little Entente nations are very closely connected with their religious life under the wings of the Greek Church. The Czechoslovaks went over to the Latin Church as early as the tenth century, and some sections of the Yugoslavs (Croats and Slovenes) later, but Roumanians, though their Latin origin is undisputed, have never until modern times associated themselves with it.

The Roumanians received Christianity through Slav missionaries who introduced to them religious books in the Slav language. Slav became the language of the church in Roumania and flourished as such until the Phanariote rulers (1716) imposed Greek upon the church. It is natural that the beginnings of Roumanian literature proper consist of translations from the Slav—the Gospel, the lives of Saints, etc. Only after the rule of the Phanariotes was shaken off did there begin under Western influence, notably French and Italian, the romantic movement which gave birth to national Roumanian literature.

Richer is the early literary history of the Yugoslavs. True, except for biographical and historical works, there were scarcely any original creations in its early stages, but already in the 13th century the fine collection of ballads which has become famous throughout Europe, seems to have been in process of formation. The first collection was published in 1824 by Vuk Stefanovitch Karadzitch, who was mainly instrumental in raising Serbian to the dignity of a literary language. Then in the fifteenth century, when Dubrovnik became the centre of Yugoslav culture, we find there many poets of high merit, among them Ivan Gudulitch, the greatest poet produced by Dubrovnik, who

owes his fame to his epic *Osman* and his pastoral play *Dubrovka*.

Czechoslovaks since the very beginning of their history were under the influence of Western nations. Their true literature, which is the oldest among Slav literatures, began, however, with the 14th century and had attained already at the beginning of that century, high literary summits, such as the rhymed "Dalimil Chronicle," patriotic and anti-German in spirit, or the witty satires of Smil Flaska of Pardubice. The prose of that period is remarkable. From the 14th to the 17th century Czechoslovak literature steadily developed in all spheres. In particular, the foundation of the University of Prague (1348) gave a powerful impulse to literary output, and enrolled the Czechoslovaks

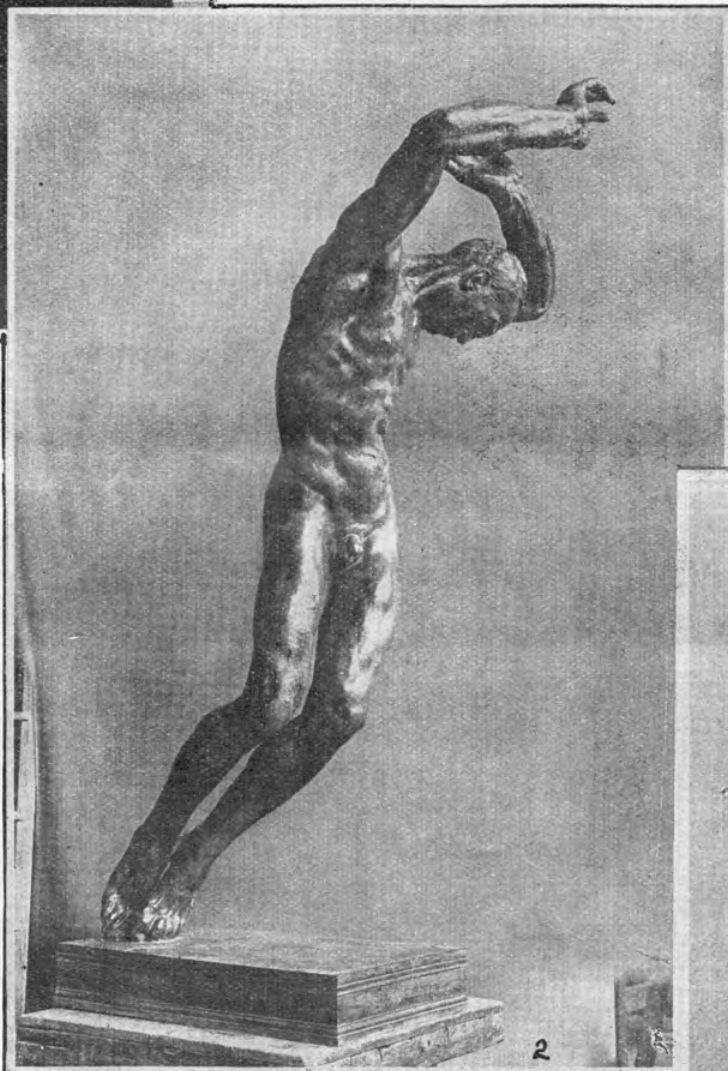
among the most cultivated nations of the civilized world of that day.

It is at this period that the Bohemian Reformation began. This Reformation gave Czechoslovak literature a number of notable works that contributed largely to the stabilization of a Czech literary language. Jan Huss, Petr Chelcicky, the forerunner of Tolstoy, and Jan Blahoslav were the representatives of the beginnings of the Czech Brethren (Unitas Fratrum), who in the century enriched Czechoslovak literature with some of its fairest gems. In 1468 the first Czechoslovak and incidentally the first Slav printing press was set up. The Counter Reformation, in 1620, brought with it the decline of Czechoslovak life. The writer and philosopher Jan Amos Komensky, known as Comenius, together with many other Protestant exiles, left his native country to continue his work abroad. The

National Theatre, translated novels and plays from the French and Italian, and was behind practically every literary undertaking of that day. Next in importance is Titu Maiorescu, the leading critical spirit of Roumania, under whose guidance arose a group of very talented writers, among them Ioan Creanga, writer of peasant tales, I.L. Caragiale, writer of excellent short stories recently translated and published in New York, and above all the poet Mihail Eminescu, whose broad conception of the Roumanian race very much impressed writers of the later generation, such as Nicolae Jorga, the famous historian. Among his followers the most important are A. Vlahutza, G. Cosbuc, the poet of the Roumanian peasant, and Octavian Goga.

In Yugoslavia, too, national literature began at the outset of the nineteenth century which produced the greatest Yugoslav poet in the person of the prince-bishop of Montenegro, Petar Petrovitch Njegosh. His masterpiece is an epic poem *Gorski Vijenac* (*The Garland of the Mountains*), which reached 30 editions and has been translated into all European languages. In the twentieth century the modern trend becomes very marked in Yugoslav literature. It is mainly the French influence which is responsible for the Modern movement among the younger generation, which has produced many prominent poets and writers.

In Czechoslovak lands the rebirth of intellectual life came with the stormy years of 1848, which intensified all the efforts for a Czechoslovak national culture and for attainment of political rights. The factor of a political program is reflected particularly in the romantic conception of the Slovak poet Jan Kollar. The real foundation of modern Czechoslovak poetry, though, is the love song *May* by Karel Hynek



Jan Stursa
(Czechoslovakia):
Wounded.



Ivan Mestrovitch
(Yugoslavia): Girl Playing.

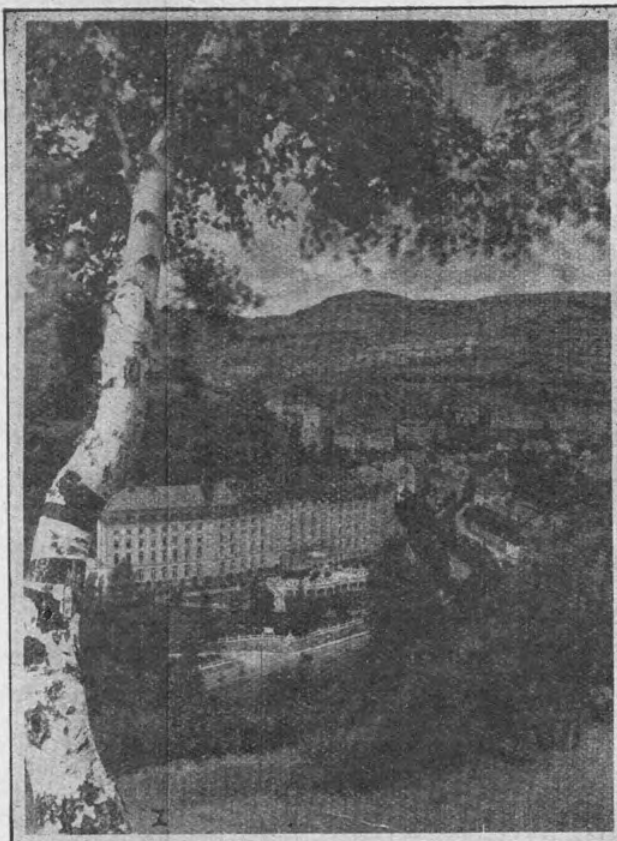
re-awakening of Czechoslovak cultural consciousness came only after much suffering, at the end of the 18th century.

In Roumania, national literature dates since early in the nineteenth century. Its outstanding pioneer figure is Ioan Heliade Radulescu, a man of great activity and initiative. He established a printing shop, printed the first Roumanian newspaper, established literary clubs that helped bring into being the

slovak national culture and for attainment of political rights. The factor of a political program is reflected particularly in the romantic conception of the Slovak poet Jan Kollar. The real foundation of modern Czechoslovak poetry, though, is the love song *May* by Karel Hynek

Continued on page 13

CZECHOSLOVAKIA

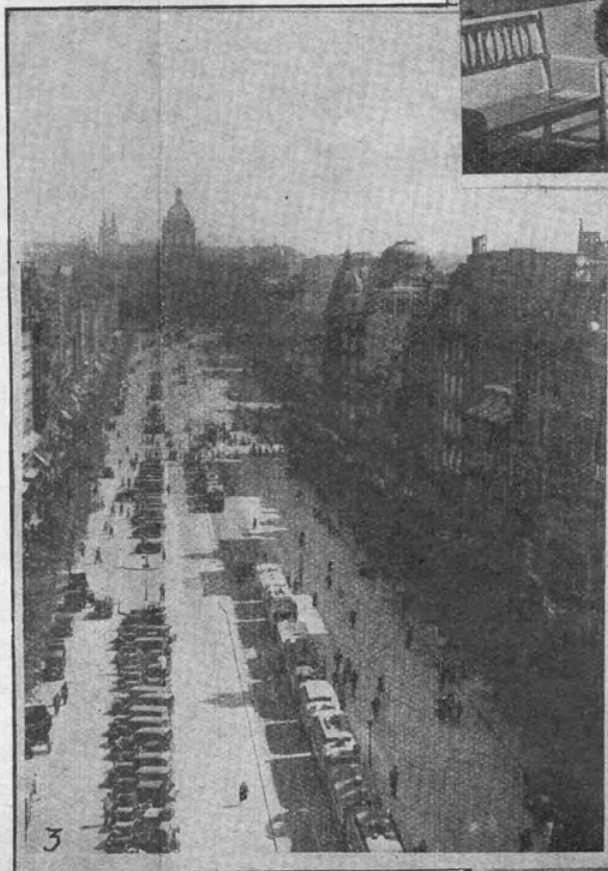


1.—The radio-active spa of Jachymov.

2.—Colonnades at Franzensbad.



TOURISTICALLY, Czechoslovakia is a paradise of unlimited attractions. It is the home of spas and mineral springs famous all over the world. Its mountain ranges are magnificent, wild, and studded with

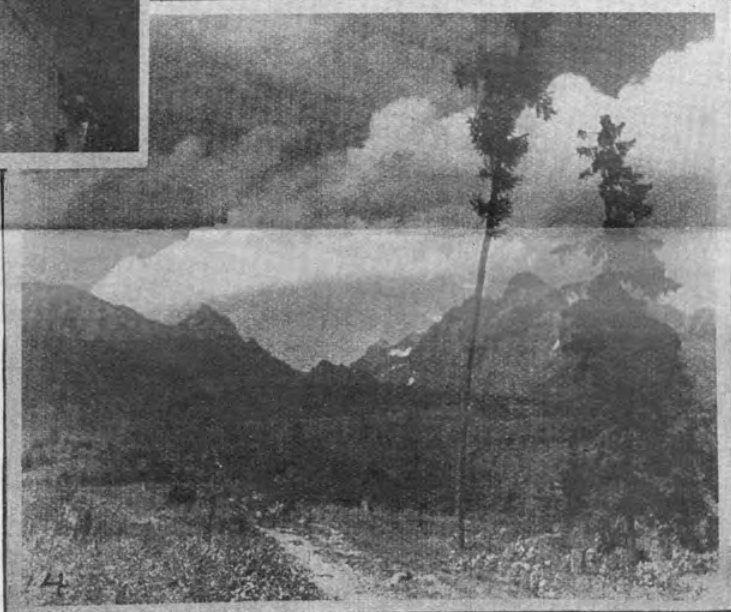


3.—Prague. Vaclavske Namesti, the principal business artery, and one of Europe's finest avenues.



5.—Prague. The National Theatre, a bridge, and the river Vltava,—landmarks of this beautiful capital.

4.—The High Tatras offer magnificent scenery.



many a lovely mountain lake. It is rich in historical associations and many of its towns are real museums of architectural monuments. Throughout the country mighty ruins of ancient castles rise on rocky heights, and in the valleys are towns of great beauty and interest.

The jewel of the Republic is PRAHA—Prague—the capital, and its history is the history of the Czech nation. During the most flourishing

period of the Kingdom of Bohemia, Prague was the busy center of the whole of Central Europe, and was the seat of the first university in Central Europe (1348). Few cities in Europe can boast of so great a wealth of medieval architecture as can Prague. Its picturesque situation on the Vltava River gives the city many a beautiful panoramic view for which it has become famous. The river is crossed by many splendid bridges, the oldest and most picturesque being the Charles Bridge dating from the 14th century. It connects the old quarters of Prague with many pretty and poetic

retreats. The Old Town and Small Town are studded with ancient palaces, beautiful churches and magnificent gardens, Prague being a garden city par excellence. Prague's population has risen, since 1918, to close to 870,000 inhabitants, a growth which is also reflected in numerous handsome and ultra-modern buildings.

The Czechoslovak spas and mineral springs are among the foremost in all Europe, and the Republic can boast of more thermal and mineral water sources than any other country in Europe.

The application of the water for healing purposes is of very old date in Czechoslovakia, and the spas owe their fame not merely to the qualities of their waters, but also to the well-proved methods and the long experience of the physicians. Many of the spas have become world-famous; they are equipped with luxurious hotels and with all the most up-to-date facilities for successful treatment, and they are elegant centers of the world's social life.

The West-Bohemian spas are the oldest, and well known throughout the world. Their waters are almost all of volcanic origin and powerfully

radio-active. The leading resort is the world-famous CARLSBAD (Karlov Vary) which has numerous thermal springs 42 to 71 degrees Centigrade and attracts annually up to 70,000 visitors.

A happy combination of wonder-working waters, favorable climatic conditions and beautiful surroundings gave rise to the unique spa of MARIENBAD (Mariánské Lázně), a favorite summer resort of the late King Edward VII. It is a meeting-place of the upper ten thousand, and in summer plays the role of the Riviera.

TOURISTS' PARADISE OF UNLIMITED VARIETY

Splendid healing waters, percolating through a unique peat soil have made FRANZENSBAD (Frantiskovy Lazne) world famous for its cures of cardiac troubles and women's ailments.

An international reputation is also enjoyed by JOACHIMSTHAL (Jachymov), a state-owned spa with splendid hotels and the strongest radio-active waters in the whole world.

The Eastern spa area in Czechoslovakia is represented by the Carpathian region, and the healing waters there are partly of neptunian and partly of plutonic origin. LUHACOVICE, a popular social center of the Czech element, has a magnificent situation in most picturesque surroundings. Among the thermal springs, those of PISTANY (67 degrees C.) with its healing mud deposits have won worldwide fame in the cure of rheumatism. Of a similar character are the waters of the neighboring spa of TRENCIANSKE TEPLICE (40 degrees C.) which is also noted for the beauty of its surroundings. Both spas are among the most modernly equipped in Czechoslovakia.

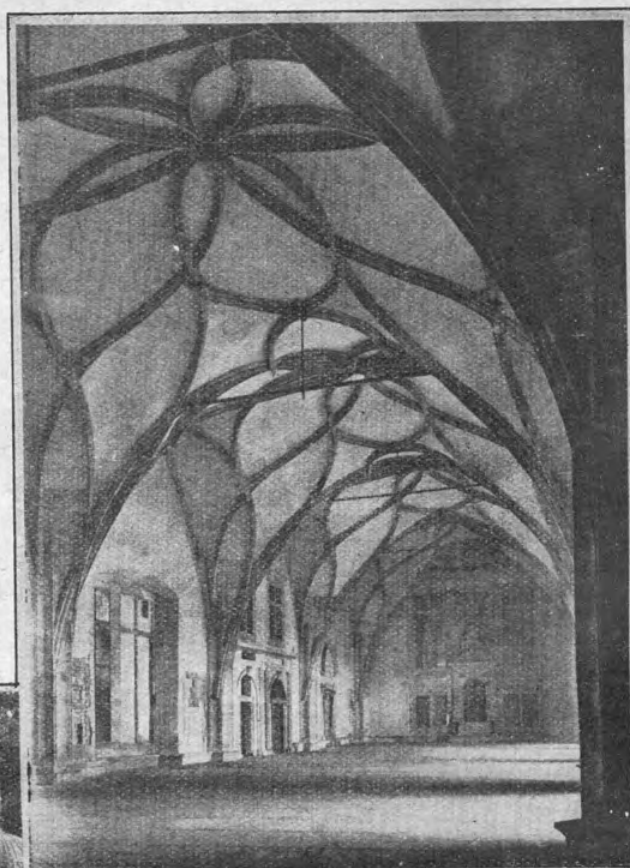
Climatic resorts are exceptionally numerous in Czechoslovakia. In the Western part of the country the landscape is mostly level or of a hilly character, and the scenery is

mon advantage of being located on the frontier line of the Central European and East European climatic zones; they are connected with one another by an electric railway and also with the big main line from Prague.

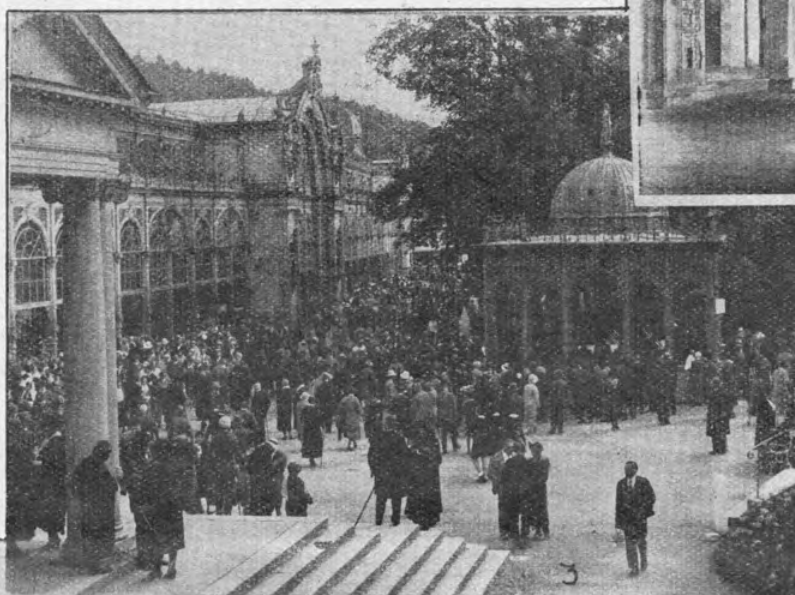
Visitors to the Czechoslovak spas and resorts are entitled to reductions of fare on the Czechoslovak railroads. Inquiries on this point should be made at the tourist offices when planning to go into Czechoslovakia.

Winter sports in Czechoslovakia, especially in the health resorts and mountain districts, are rapidly developing and growing in popularity.

4.—Prague. Tournaments were fought by medieval knights in this very ancient hall of Prague Castle.

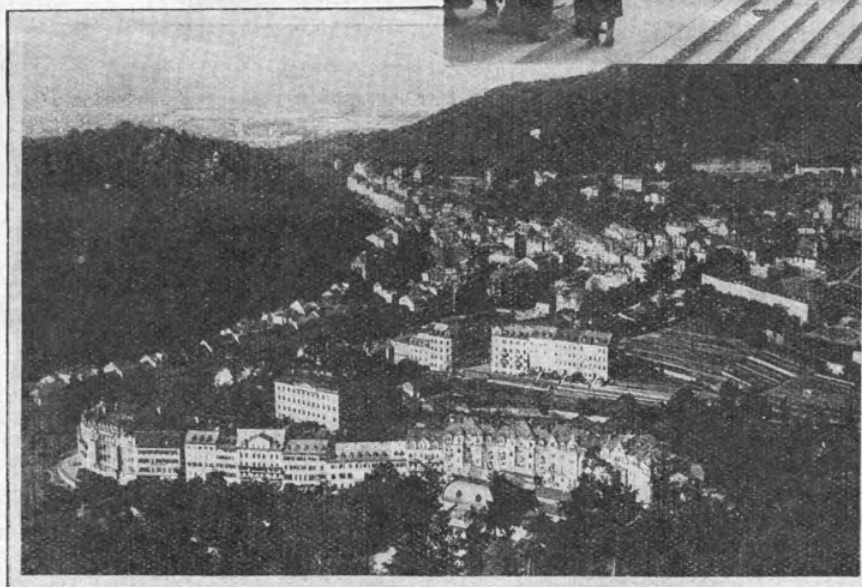


In all these places there are comfortable hotels open throughout the winter. Skiing is popular in the GIANT MOUNTAINS, especially in the great tourist centers such as



3.—Afternoon philandering at Marienbad.

2.—Kost Castle in Czechoslovakia, a country of ancient castles.



1.—Carlsbad.

very varied, but it lacks the contrast of high mountains. The most important health resorts in this region have arisen mainly among the frontier ranges, especially in the Giant Mountains (Spindleruv Mlyn), in the Bohemian Forest, and in others.

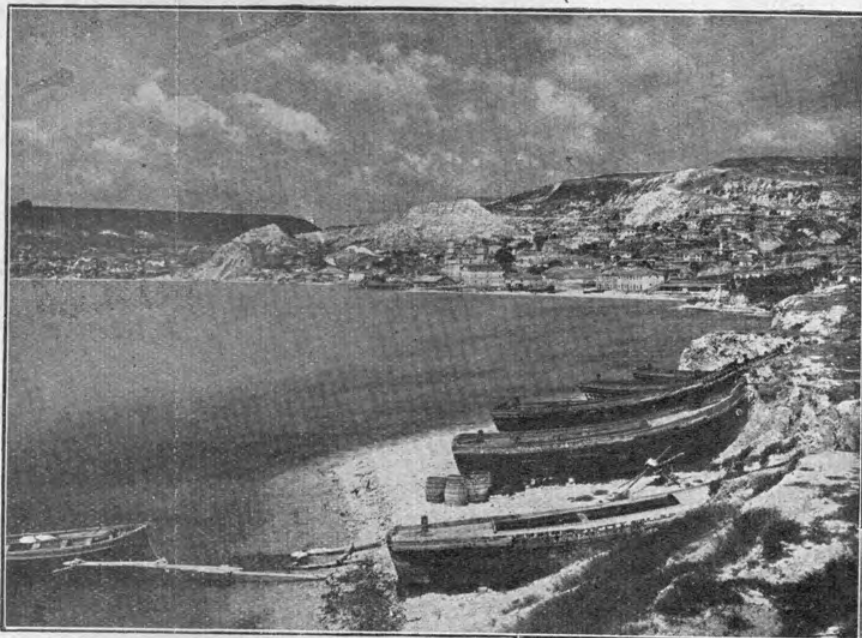
The Carpathian region in the East of the country is practically inexhaustible in the facilities it provides for the establishment of climatic and summer holiday resorts. Magnificent is the chain of resorts, stretching along the southern slopes of the HIGH TATRAS and protected from the north by that lofty range. These climatic resorts — STRBSKO PLESO, SMOKOVEC, TATRANSKA LOMNICA — have the uncom-



5.—Prague, St. Vaclav Church, recently built in the new architectural style.

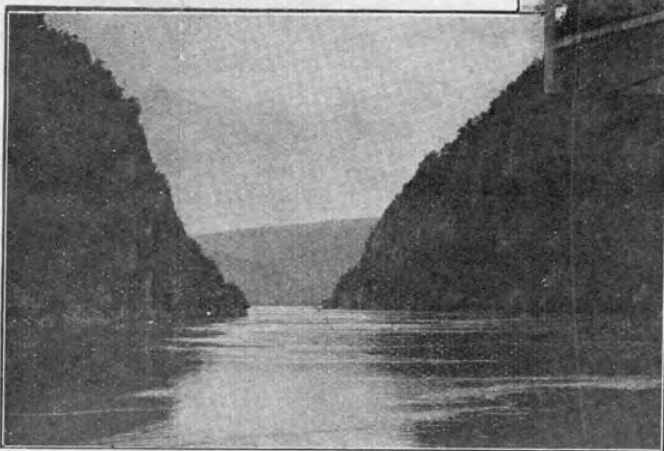
SPINDLERUV MLYN, as well as on the summits where mountain chalets provide all that can be desired in the way of accommodation. The center of winter sports par excellence, of course, are the resorts in the HIGH TATRAS, especially TATRANSKA LOMNICA and STRBSKO PLESO, where international sports events are held every year. Recently, MARIENBAD has also attracted winter visitors, and sports are increasingly indulged in there, mainly around Christmas.

ROUMANIA



THE varied aspects of Roumania's scenery — the Carpathians, the Danube, the Black Sea — the richness of her soil, her picturesque villages, the multicolored loveliness of her peasant costumes, the wistful quaintness of her folklore and the diversity and originality of her historical monuments make of Roumania a country of exceedingly attractive beauty.

The Carpathian Mountains offer to mountain-lovers an infinite variety of scenery, from gorgeous, snow-clad mountain peaks to lovely valleys of pastoral, idyllic tranquility. Climbers will find most interesting tours to be made on calcareous or crystalline rocks 2,000 meters high. In some of the most inviting places in the Carpathians, refuge cabins have been built, and



paths are so marked that even foreigners can find their way without having to depend on guides.

The wooded valleys of the mountains are studded with characteristically Roumanian, charming, large monasteries. Here the enterprising tourist in search of attractions not quite on the beaten track can spend a quiet healthful summer month in ideal old-world surroundings and rustic mode of life, and still find rudimentary modern comforts, as well as excellent, even if simple, food. These monasteries, entirely different from what the tourist may have seen in Western Europe, are perhaps unique for their beauty, for they and the churches belonging to them are jewels of Byzantine, Roumanian, or Moldavian art, dating mostly from the fourteenth and fifteenth centuries.

Such monasteries are situated chiefly in the Oltenian Mountains — the Monasteries of Hurezu, Cozia, Tismana — in the Wallachian hills, Curtea de Arges, Manastirea Dealului as well as in Bucovina — Suceava, Putna, Voronetz, Sucevitza.

The jewel of the Carpathians is

Sinaia, summer residence of the Roumanian kings and charming health resort, situated 800 meters above sea level in a gigantic pine forest and facing the majestic Bucegi peak.



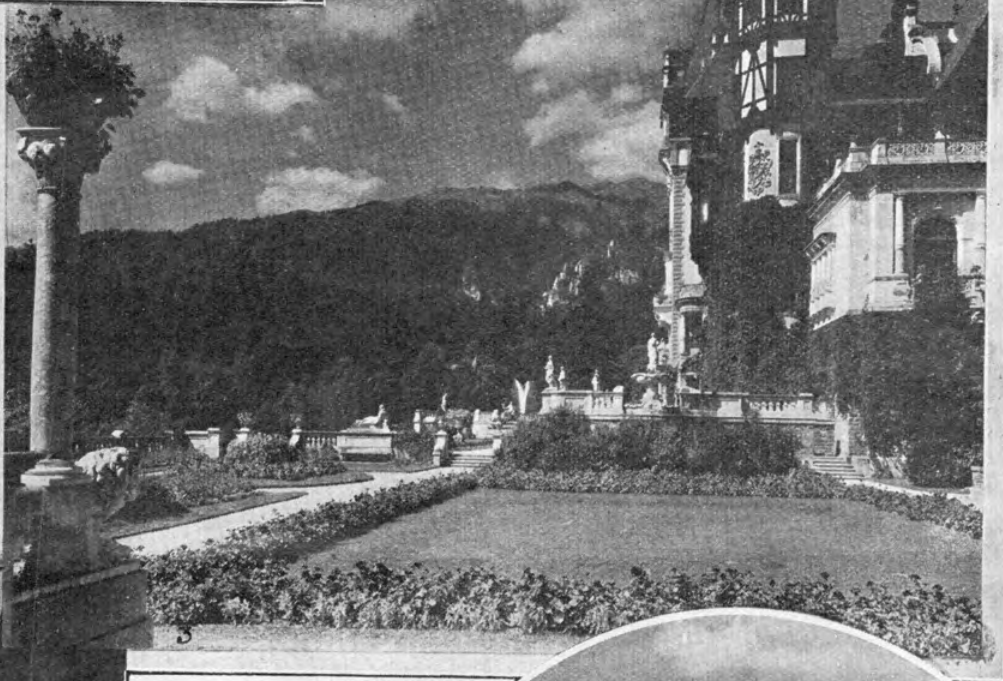
At the foot of the Carpathians, in Transylvania, the quaint and busy towns of Brashov and Sibiu have

retained their medieval caché in unspoilt picturesqueness, and should not be omitted when the Carpathians are visited.

Around these cities, and as a matter of fact everywhere in the Carpathians, lie quaint villages, interesting for the picturesque costumes of their inhabitants. Another point of interest is the ruins of Sarmisegetuza, ancient capital of the Dacians, forefathers of present-day Roumanians, which is situated at the foot of the Hatzeg range, a little further north.

the Prahova valley, especially the cities of Moreni and Campina, and the regions of coal, salt and gold mines.

Mineral and thermal springs are abundant in Roumania and of a variety and intensity seldom met elsewhere; while their strong radioactive qualities render them very curative. An entire chain of spas, has developed around this spring region, and one of their main features is the fact that they are generally situated in rarely beautiful surroundings, affording the double advantage of a subalpine climate

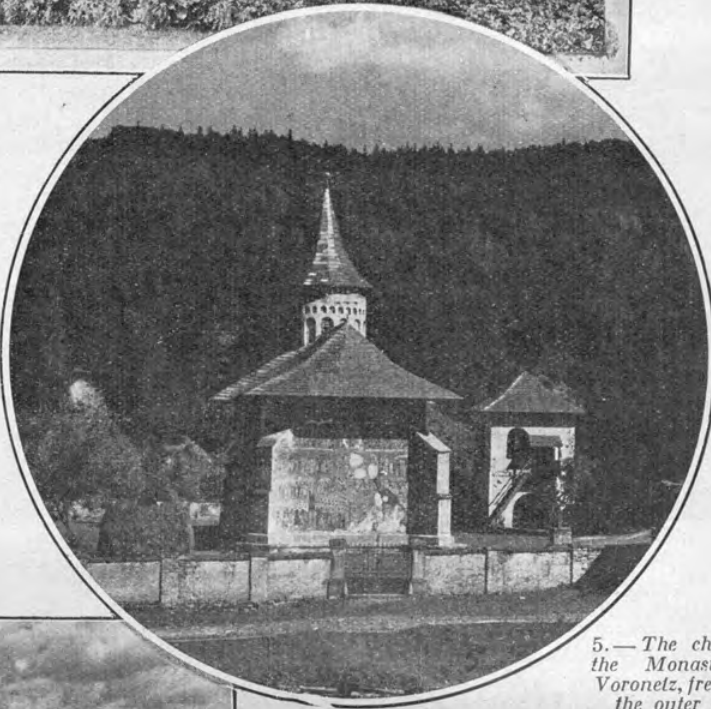


2. — Royal Palace at Sinaia, the Carpathian health resort.

1. — Balcic on the Silver coast of the Black Sea.

3. — Iron Gates of the Danube.

4. — Bucharest, capital of Roumania, a very modern city.



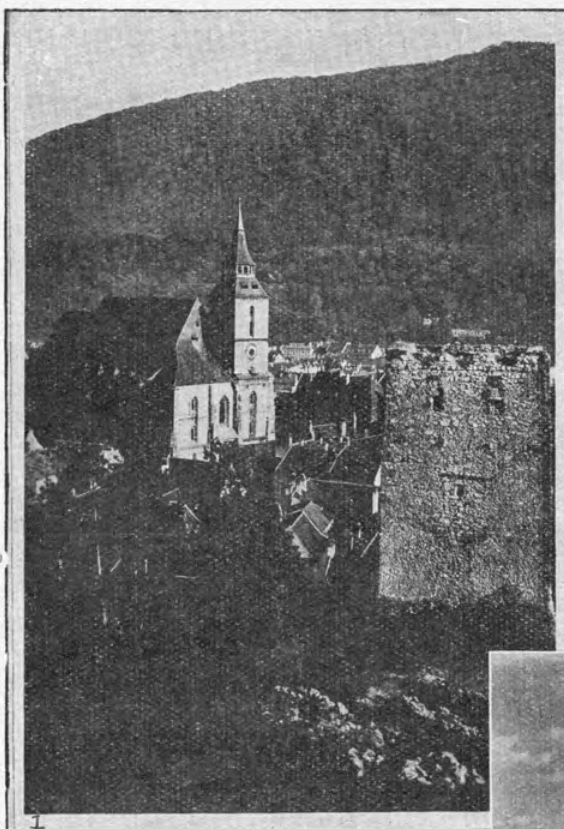
5. — The church of the Monastery of Voronetz, frescoed on the outer walls.

and the healing properties of the spa.

The Roumanian seacoast, stretching along the Black Sea, undoubtedly is one of the loveliest beaches in Europe, facing eastward, and endowed with most favorable bathing conditions. Constantza and Tekirghiol in Dobrudja, Budaki in Bessarabia, and Balcic on the southernmost part of what is known as the Silver Coast, are well-equipped, fashionable beach-resorts where Roumanian aristocracy and many a foreign visitor finds delight in the cool waves of the Black Sea and the endless expanse of silvery sand.

Very interesting and instructing is also a visit to the oil and mineral centers of Roumania, which are in

CARPATHIANS DANUBE, BLACK SEA



Brashov, industrial centre of Transylvania, yet quaint and medieval.

An additional attraction of Roumanian Black Sea resorts is that the visitor has an opportunity of becoming acquainted with the interesting regions of Bessarabia and Dobrudja, provinces of a motley colorful popu-

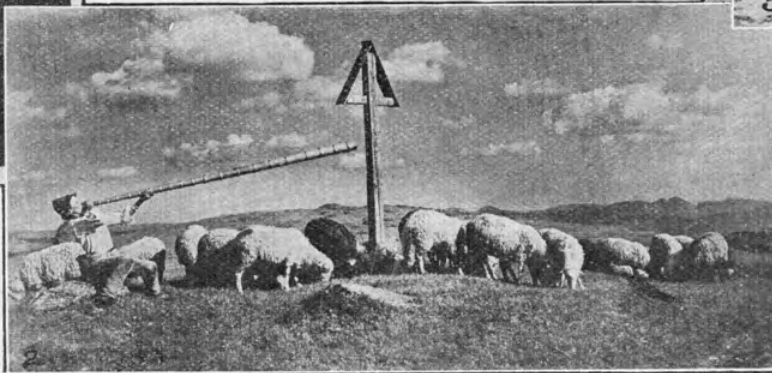
lation of Russians, Turks, Tartars and Gipsies, and brimming with Oriental color, mosques, Greek-Catholic monasteries and ruins of Roman monuments.

But perhaps the trip par excellence to be undertaken in Roumania is a journey down the Danube. Entering Roumania at the defiles of Cazane and the "Iron Gates," cutting its way through the Carpathians, it is the main artery of Roumania herself and her neighboring countries. But apart from its immense commercial importance, it is of unique beauty. Of particular interest is the weird Danube Delta, where the river flows into the Black Sea, famous for the varied species of fish and bird which inhabit it and the luxuriant growth of its wild vegetation.

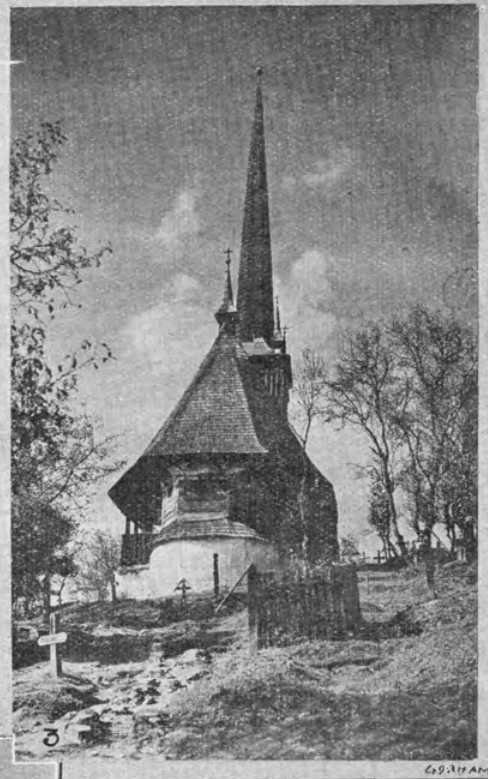
Touring in Roumania is very simple. Living is cheap. Communications are easy and modest lodgings can be found everywhere. In the largest towns there are fairly good hotels, and Roumanians are very hospitable.

Railways are comfortable. On the main lines here are express trains with Pullman cars. Motor-cars can be hired everywhere.

On the Danube and on the Delta navigation is taken care of by regular steamboat services.



A pastoral idyll in the Roumanian hill country.



Such quaint little wooden churches are a constant source of joy to the tourist visiting Transylvania.

From Constantza, sea connections with Stamboul and other oriental ports are maintained by the Roumanian Line (S.M.T.) which runs a fleet of good modern boats on regular schedule.

Finally, for the hurried traveler, there is a whole network of airlines linking Bucharest with the main cities of the country and with all capitals of Europe and the Orient.



The Metropolitan avenue leading from the Cathedral down into the city



An Okon from the 14th century, now in the Sinaia Museum.

Touristic Yugoslavia

ONLY in the last few years has Yugoslavia begun to be known to tourists. Until a few years ago they were unacquainted with the fascination of the Bosnia forests, with the Slovenian Alps, and with the enchanting loveliness of the Adriatic coast.

Yugoslavia is full of delightful surprises for the traveler and few other countries offer him such natural beauties and variety of scenery. In Yugoslavia are gathered together within the boundaries of a single state all varieties of climate and of scenery, from the Alpine and temperate continental in the north and west, to the Mediterranean in the south.

In the north are rich and fruitful plains and in the northwest snow-covered glacial Alps. Going southward we reach the Karst coastal mountain chain, which thrusts out its massive bulk along the whole length of the Adriatic whose blue waters are unequalled and whose shores are covered with luxuriant Mediterranean vegetation.

In south Serbia, Bosnia Herzegovina, and Montenegro, on the other hand, are to be found magnificent mountain scenery, innumerable peaks, and thickly wooded slopes from which the traveler looks down into a hundred lovely valleys. The fez and veil, now unused in Turkey itself, are still to be seen in these districts and also numbers of mosques and minarets. The visitor may here see the old customs of the Slav alongside the mysterious life of the East.

of which are the lakes of Plitvice which offer a scene of great natural beauty. At a height of more than 1,800 feet lies this series of lakes and no less than ten waterfalls of crystal clear mountain water. It is a sight to be met with nowhere else in Europe. Within easy reach of lakes and falls are comfortable hotels which satisfy the most exigent traveler.

On the same route, heading for Split via Ogulin, one arrives in Dalmatia whose coast is not inferior in either climate or position to the Italian or French Rivas. Dalmatia has all the charm of a Mediterranean country. An almost tropical vegetation, palms, oranges,



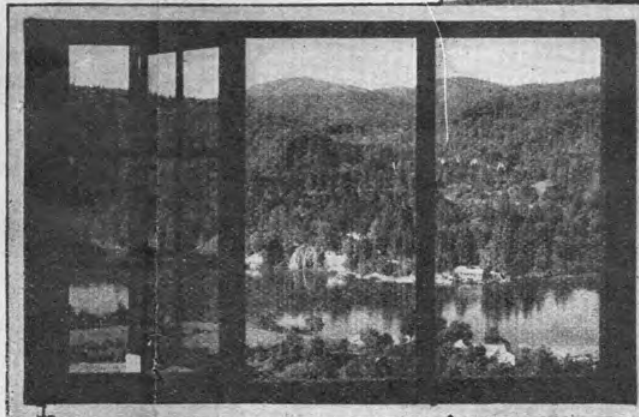
4.—Belgrade. The new, side by side with the old, significantly indicates the progress made by the Yugoslav capital.



2.—The Roman bridge at Mostar in Bosnia.

5.—Split on the Dalmatian coast, important harbour, a bathing resort, as well as possessing priceless art treasures.

1.—A view from a hotel window of one the Plitvice Lakes.



3.—Dubrovnik, the Pearl of the Adriatic.

ful surroundings. The chief interest of this region lies in its medieval remains.

The other route from Dubrovnik, via Sarajevo, runs through the picturesque country side of Herzegovina.

Most noteworthy of all is the limitless hospitality of the Yugoslav people, which is offered the visitor without reserve.

Every district and every town has something of beauty or significance to offer, so that every tourist may find something to interest him. Slovenia, where conditions are particularly favorable for the development of a tourist industry, is a delightful place in which to spend a summer vacation, and is also highly suitable for the winter sports enthusiast.

Ljubljana, capital of the Drava-Banovina, is an altogether modern town in appearance, well arranged, with well developed industries and comfortable hotels. The most attractive spot in Slovenia is Bled, which with its lake and woods and modern hotels is the most delightful of summer health resorts.

A few hours railway journey from Ljubljana comes Zagreb, an intellectual, economic and industrial center. This is a particularly clean and well ordered town. Its hotels are run on the most up-to-date lines, and it contains many interesting historical monuments. The surrounding country is magnificent.

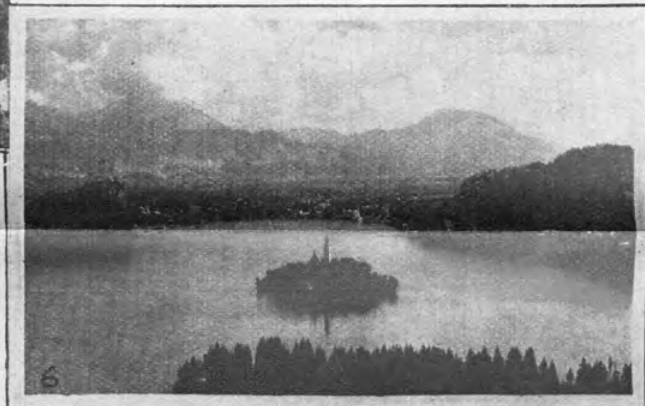
Going from Zagreb in the direction of Karlovac, the traveler comes to Vrhovina, in the neighborhood

other southern fruits, products of the southern sunshine, lovely scenery and a host of historical buildings and other vestiges, remains of older civilizations, all go to make Dalmatia a region of unusual interest and charm for the traveler.

First of all there is Dubrovnik, proud town of a glorious past, pearl of the Adriatic, and then there is the entire length of the Dalmatian coast, from Sushak to Ulcinj, along which are to be found incomparable scenes of natural beauty and romantic ruins of historic value.

Besides Dubrovnik, Split, and other towns, there are islands such as Hvar, Vis, Krk, and Korčula which are well worth visiting.

6.—Bled, the fashionable lake resort in the Slovenian Alps.



Mention must also be made of Rab and of the fashionable beach at Crkvenica.

If, after a pleasant rest by the Adriatic, the visitor goes on to Boka Kotorska and Montenegro, his interest will be aroused on all sides by curious sights. In the course of

vina and Bosnia where the Mohammedan population still wear fez and veil. Continuing from Sarajevo, via Uzice and Vardishte, the traveler arrives in Belgrade, the capital of Yugoslavia, magnificently situated on the confluence of the Sava and the Danube.

SPLENDID PROGRESS IN EDUCATION

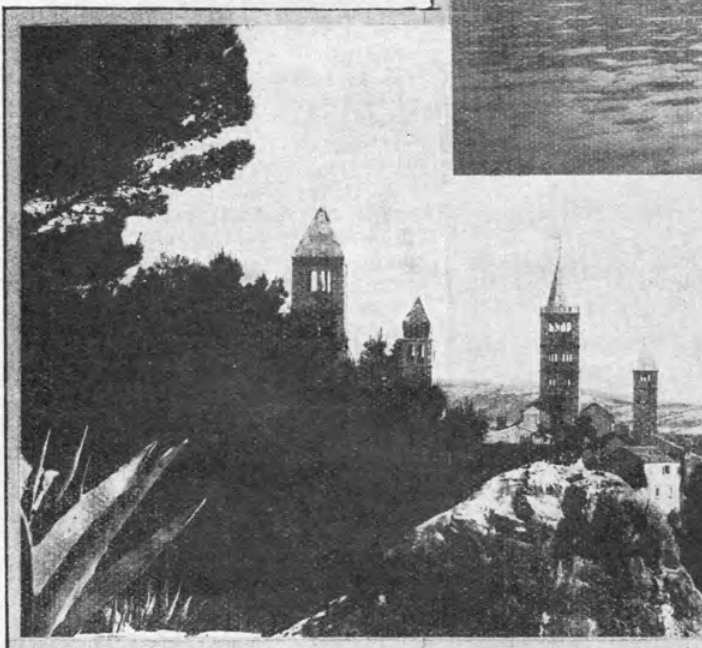
FIGHTING against tremendous odds the new and unified educational system of Yugoslavia is making splendid progress towards wiping out illiteracy.

The great percentage of illiteracy in certain parts of the country is a heritage of the long struggle for existence, liberation, and union into one state of the various component parts. The large number of illiterates is easily explained by pointing out



3

ciency's sake. Nearly 10,000 students are being trained in them for the teaching profession. The course has been raised from four years to five and strengthened in many other ways to increase its efficiency. Not only is there an examination at the end of that five year course, but when the graduate will have taught for two



the percentages in some of the newly liberated provinces. In Bosnia and Herzegovina the percentage of illiterates was 80 to 85 and in South Serbia 83 to 86.

These disheartening figures have been greatly reduced and this reduction is going forward at a solid pace which promises to reduce the figure to a negligible one. Yugoslavia is now enjoying that peaceful development which allowed some other more western nations to build up their educational systems and she is making swift use of the opportunity.

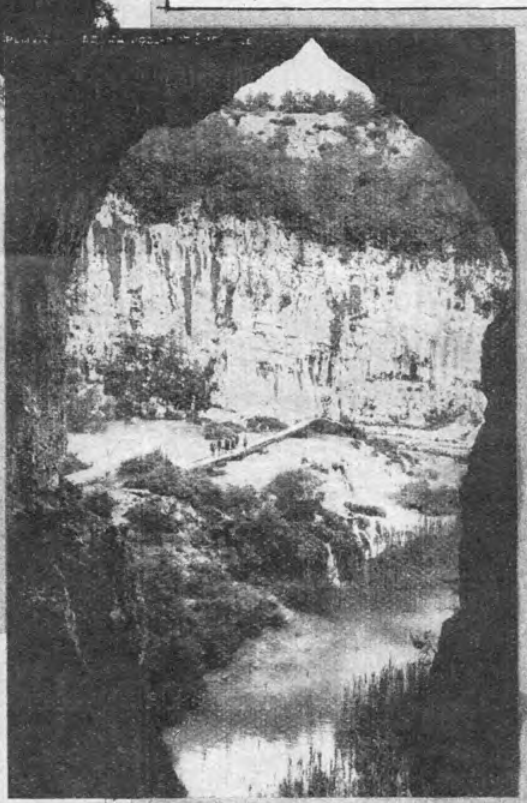
One enlightening fact concerning the Yugoslav school system is that not every educated person may become a teacher. Only the educated person

1.—The Island of Raab off the Dalmatian coast.

2.—Sailing boats, in the harbor of Susak on the Adriatic.

3.—St. George Monastery, in the Adriatic.

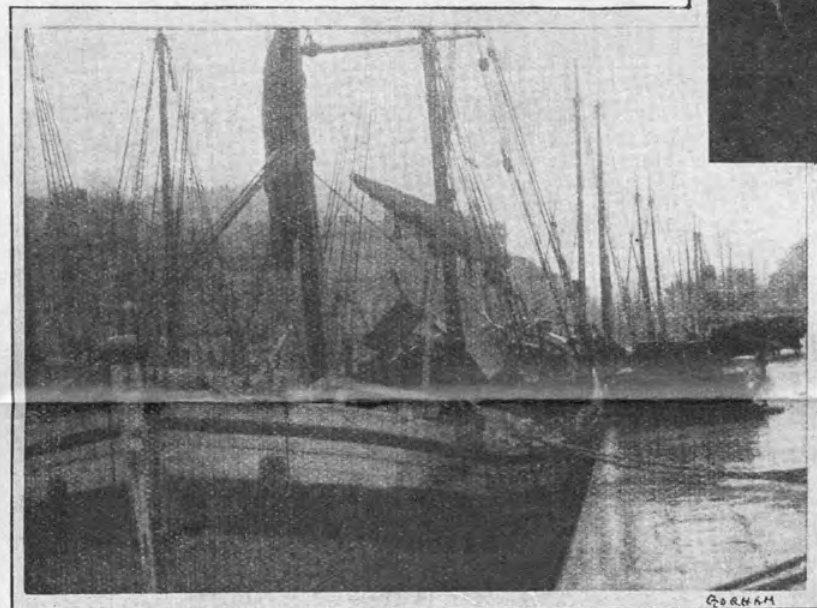
4.—View of Plitvice Lake region.



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years he or she is given another examination with a view to determining how good his or her actual teaching skill is.

The school system of Yugoslavia has for its purpose preparing its pupils for good citizenship; to be moral, faithful and active members of the community and the state. In general it is divided into elementary and high schools. Education is compulsory for eight years; four years of elementary school and four years of higher school. Pupils who wish to pass on to a secondary school, a private school, or professional institution, are exempted from the second four years. The program of instruction in these elementary schools includes the mother tongue, a foreign language in the higher schools, national history, general history, geography, mathematics, nature study, mineralogy, geology, chemistry, physics, technology, hygiene, citizenship, domestic



2

with specialized training in pedagogy may teach. That change was made in the United States not so very many years ago. Until then any American college graduate with a Bachelor of Arts or Bachelor of Science degree was considered fit

and ready to go out and instruct the young.

There were nearly 50 training schools for teachers in the land, five of which were private and the rest state schools. The number has been reduced slightly for effi-

science, handwork, drawing, penmanship, music, calisthenics, and religious instruction. This latter is obligatory for all confessions and is taught by teachers and clergymen.

The law provides for a school ambulatory clinic and a school kitchen for needy children wherever the school population totals 400 or more. This particular solicitude for the needy youth who wants an education extends right up into university life. Impecunious collegians receive aid from the State and the University of Belgrade, for instance, possesses a fine students' home, a gift of King Alexander, where 500 deserving students are fed and lodged.

Although it is recognized that the education of a people must largely be accomplished through a school system solidly organized, from kindergarten to university, and that the citizen needs to begin his training as a child, the Government is aware of the need of palliative measures; measures for educating the grown-ups who, due to Yugoslavia's special historical circumstances explained above, have not received any schooling in childhood.

Such special instruction cannot equal regular childhood schooling, but it still has value in the fight to wipe out illiteracy. For those who have passed the school age there are courses, both for civilians and for soldiers. The instruction is given mainly by school teachers in their spare time.

(Continued from page 7)

Macha, and the modern prose begins with the stories of Bozena Nemcova, is further developed by the poet Jan Neruda, and reaches its culmination in the historical novels of Alois Jirasek. Of the poets the highest place is occupied by Jaroslav Vrchlicky, Svatopluk Cech, Otakar Brezina and Jiri Wolker. Among novelists and playwrights, Karel Capek, Frantisek Langer and Josef Urban have attained international fame.

The arts,—architecture, sculpture, painting and music—in Roumania and Yugoslavia were up to the middle of the nineteenth century closely associated with the church, and therefore, in Roumania, show marked influence of Slav, mainly Russian church art. A real art began in Roumania only through the efforts of Nicolae Grigorescu, the founder of the Roumanian school of painting. To his school belong Luchian and others, while the post-war art has also found competent interpreters.

In Yugoslavia the modern impulse was given to art when some of its artists returned from abroad and settled in Zagreb in the latter part of the last century. Among them were some celebrated painters and sculptors, such as Bukovatch, Medovitch and others. Yet, it is the art of Ivan Mestrovitch, the sculptor, which puts her in the forerank in art.

In Czechoslovakia, too, the sculptors have the lead, the outstanding figures being Josef V. Myslbek, Jan Stursa, and Frantisek Bilek.

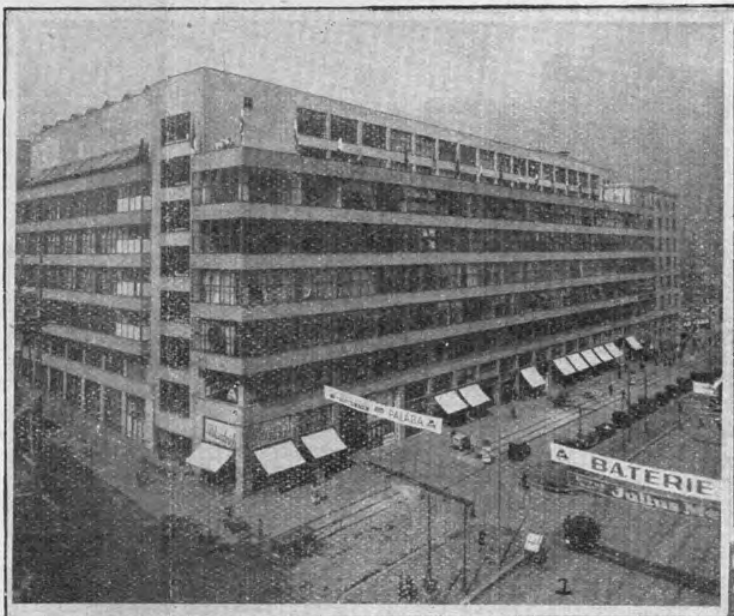
Among painters, famous are Josef Manes, the founder of the modern Czechoslovak school of painting, Ales, the illustrator, Upka, the Slovak painter of peasant life, Max Svabinsky, the etcher, and others.

In regards to music, Roumanians are probably unsurpassed in folk-songs of which they surely have the greatest collection in the world. Yugoslavs are known for their dance music.

Very highly developed is music among the Czechoslovaks, whose composers Bedrich Smetana, Antonin L. Dvorak, Leos Janacek, and Suk are on the repertoire of almost every symphonic orchestra of the musical world.

Czechoslovakia's Industrial Development

A Country with a Permanently Favorable Trade Balance



IN her wealth of natural resources, her geographical position in the heart of Europe and in her direct touch with five neighboring countries, Czechoslovakia possesses excellent conditions for economic development, even though she is somewhat handicapped on account of her lack of a seaboard.

The country's natural resources are represented first and foremost by deposits of pit-coal (average annual output about 15,000,000 tons) and of lignite (annual output some 20,000,000 tons) which give some

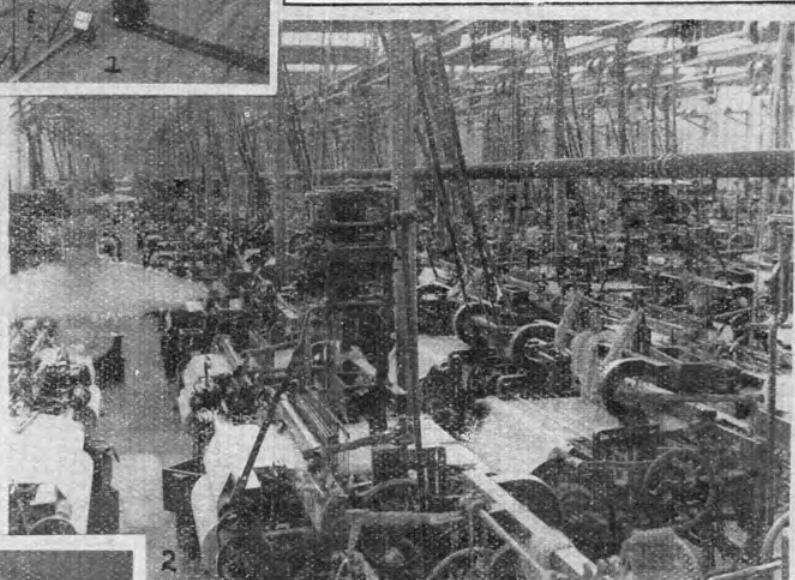
Austria, 8,800 were in Bohemia, Moravia and Slovakia. Since 1918 Czechoslovak industry has been supplemented by the production of various categories of goods formerly imported in considerable quantities.

The capacity of the Czechoslovak industries is greatly in excess of the needs of home consumption, so that Czechoslovakia is a country dependent upon industrial exports.

and the outfitting industry, work largely for export. Musical instruments and laces are turned out mainly in the Ore Mountains and are known the world over.

Among agricultural industries, Czechoslovak beet sugar has attained an international reputation by reason of its outstanding quality. The output in the 1929-30 season amounted to 1,035,700 metric tons, viz. 11.1 % of the total world output of beet sugar. Recently the output has declined, mainly owing to competition on the part of cane sugar. Other output of the agricultural industries includes alcohol, hops, malt, starch and beer. The Bohemian brewery trade enjoys a world-wide reputation — 447 breweries produced in 1930, 11,904,000 hectoliters of beer, at Pilsen, Prague, Budweis and elsewhere. Both malt and hops, as raw materials for the brewery trade, are exported to all parts of the world.

It appears from the above brief survey of the economic resources of Czechoslovakia, that foreign trade is the most important item in her balance of payments. Consequently special attention is being devoted to the adjustment of commercial relations with foreign countries.

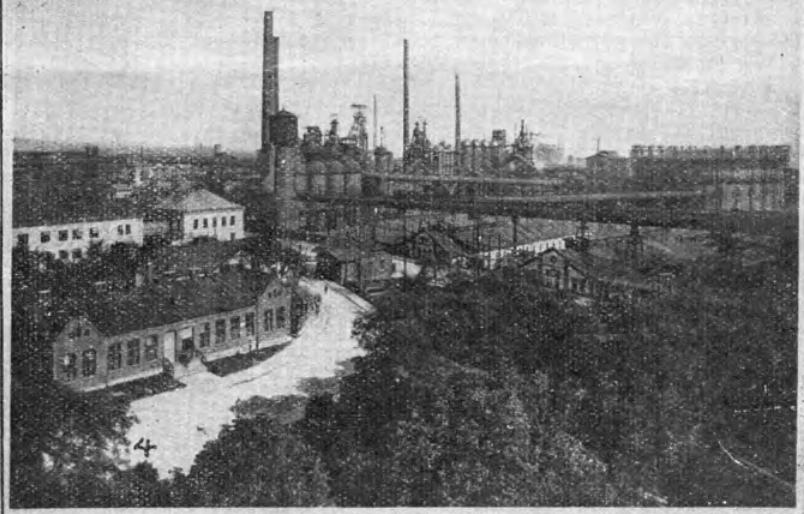


1.—The Samples Fair Palace at Prague, a permanent spring and fall exhibition.

2.—Ultra-modern machinery in a Czechoslovak textile factory.

3.—A striking contrast to the highly technical development of Czechoslovak industry is the making of musical instruments.

4.—Partial view of the Vitkovice Iron Works.



districts a typical mining aspect. The most pronounced regions of this character are those around Moravska Ostrava and Most.

The output of iron ore is smaller, but some 1.7 million tons are produced, especially in Slovakia. Copper, silver, lead and gold are likewise raised, but in smaller quantities. An important source of radium ores as well as of the finished radium is Jachymov in the Ore Mountains. Salt is found in Carpathian Ruthenia and in Slovakia, and the output almost suffices to meet the needs of home consumption. China clay of excellent quality found in Northwest Bohemia has given rise to a famous porcelain industry, the headquarters of which is in the neighborhood of Carlsbad. Naphtha, obtained in Moravia and Slovakia, is

used mainly for the production of heavy lubricant oils.

Industry is mainly developed in the Western parts of the Republic. Of the industries of the former Austro-Hungarian Monarchy there exist on what is now Czechoslovak territory, almost 100 % of the porcelain industry, 92 % of the sugar industry, 92 % of the glass industry, 87 % of the output of barley, 75 % of the cotton industry, 75 % of the paper industry, 70 % of the leather output, 60 % of the metal industry, and 46 % of the paper output.

Of the minerals mined in the former monarchy, 3/4 of the coal output, 2/3 of the graphite beds, almost all of the silver mines and the main gold mines are on the territory of present-day Czechoslovakia. Of the 17,034 factories of

One of the leading branches is the iron industry, the main centers of which are Kladno, and Vitkovice near Moravska Ostrava where the biggest blast furnaces are to be found. The annual output of iron is about 1.4 million tons, and that of steel two million tons. The leading engineering works are located in the above mentioned iron centers as well as at Pilsen (Skoda Works), at Prague, and in other places in Moravia and Slovakia.

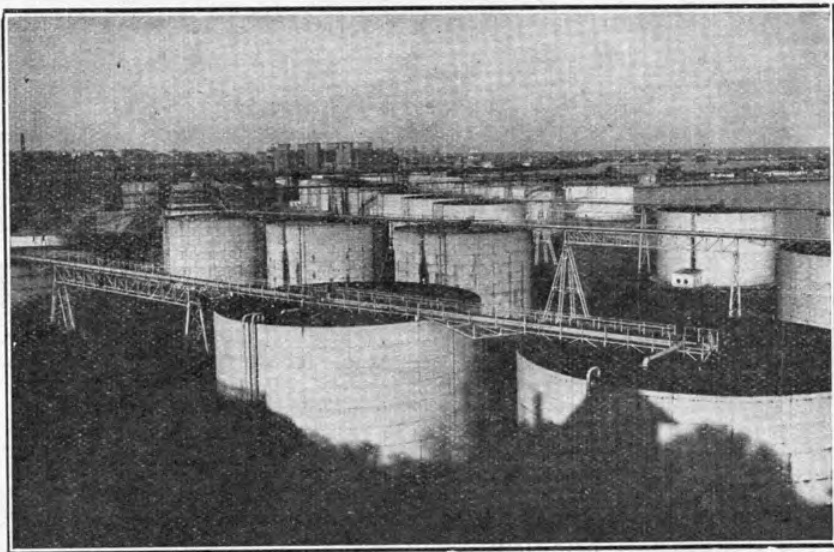
Glassmaking has been a famous industry ever since the 16th century. There are in Bohemia over 120 large glassworks, and every species of glass is turned out, especially "Bohemian cut glass" which is exported to all parts of the world; artificial jewelry, the manufacture of which is concentrated around the famous town of Gablonz; and art glass products of every description. Porcelain is manufactured chiefly in the environs of Carlsbad. The textile trade is highly developed, particularly in Bohemia, in Silesian Moravia and at Brno. The boot and shoe industry, the Bata Works at Zlin being the largest on the Continent,

The total volume of Czechoslovakia's foreign trade, expressed in dollars, amounted in 1920 to no more than 745 millions, but a steady rise brought it to a maximum of 1,199 million dollars in 1929. Czechoslovakia's balance of foreign trade is permanently a favorable one.

Czechoslovakia purchases considerable quantities of raw materials from abroad, and pays for them by the export of finished goods or natural products. The imports consist mainly of textile rawstuffs (cotton, jute, silk, wool, flax and hemp); hides; coffee, cocoa, tea, spices, Southern fruits, tobacco, etc.; certain cereals (wheat and wheaten flour, maize); pigs; agricultural and industrial raw materials (salt, dyes, etc.); special manufactures (machinery and instruments).

The main exports comprise sugar, barley and malt, hops, beer, coal, timber, glass, machinery, musical instruments, paper, boots and shoes, gloves, textile and wearing apparel, iron and hardware, porcelain, etc. About 86 % of the total foreign trade is done with Europe, and 14 % with overseas.

Economic Forces of Roumania



Oil tanks in the harbor of Constantza, the Roumanian port on the Black Sea.

ROUMANIA'S position with regard to world economics may be indicated by the following: Roumania is the sixth agricultural country in Europe and the eleventh in the world; it is the fourth country in the world in point of oil production; the thirteenth in lumber; and the sixteenth in cattle.

Agricultural enterprise, including forestry, represents 70 per cent of the total production of the country; mine products eight per cent; cattle and fisheries 15 per cent; and industrial products excepting forestry products seven per cent.

Wealth of the Soil.

Agriculture is the most important branch of production and the greatest source of wealth. According to the latest figures the areas sown in 1932 and the harvest of that year present the following picture:

Areas sown, in acres: wheat 7,174,080; oats 1,979,380; barley 4,467,172; rye 870,745; corn 11,940,645; other cereals 226,912.

Corresponding production in bushels was: wheat 50,383,333; oats 40,168,750; barley 61,129,167; rye 9,535,714; and corn 214,035,714.

The exports of grain during the past year were less than in 1931 and also less than the average for the previous five years.

The export of grain in tons was: wheat 102,552; corn 1,739,330; barley 542,423; oats 31,865; and rye 12,078. The value of the products of the soil in 1932 totalled 283,388,256 gold dollars.

Farm animal production: Cattle raising in an agricultural country like Roumania presents one of the most important items of national wealth. The value of the cattle of Roumania on the hoof—using the word cattle in its broad sense to include all farm animals—is set at about 166,666,666 gold dollars.

Fisheries: Roumania possesses rich fisheries, the principal occupation of the coast population being fishing. The annual catch amounts to more than 30,000,000 pounds.

Bee and silk industries: Bee raising, formerly a flourishing industry, is beginning to come back. There are about a million hives with a production of more than 8,000,000 pounds of honey and more than 400,000 pounds of wax per year. Silk raising is growing rapidly as a result of recent beneficial legislation.

Roumania has about 850,000 acres of orchards of which about 357,000 acres are planted in plums.

The Underground Wealth.

Roumania is one of the richest countries in Europe in underground resources. These consist of:

Oil. Roumania ranks fourth in the production of crude oil. The production in 1932 was 7,350,321 tons, which represented an increase of 10.4 per cent over the previous year. The value of the 1932 output was 17,104,435 gold dollars. To this must be added the considerable value of natural gas. The refineries handled nearly the entire output in 1932, the figure being 7,010,216 tons. Since Roumania is well supplied with fuel of other kinds it used only 20 per cent of its own oil production, the rest being exported. The amount exported in 1932 exceeded that exported in the previous year by 498,274 tons or a value of 1,652,851 gold dollars.

Natural gas is one of the principal sources of wealth of Roumania. It is found in abundance especially on the plain of Transylvania. The production in 1932 totalled 208,861,563 cubic yards. The calorific value of the natural gas reaches 8,125 calories.

As to coal, Roumania possesses

considerable deposits of anthracite, bituminous, and lignite. The coal output in 1932 was 1,666,840 tons.

The minerals of Roumania are found particularly in Transylvania and the Banat. The principal minerals are gold, silver, copper, iron, manganese, aluminum, chromium, bauxite, mercury, the pyrites, asphalt and quarry products.

Roumania also possesses numerous great salt deposits which have been exploited for a long time. There are 60 deposits with a visible reserve of about 9,000,000,000 tons and a further enormous probable reserve.

There should be mentioned also the mineral waters and salt lakes and lakes of healing mud which are extensive. Some of these have a high therapeutic value. Some day, when all these springs and lakes are equipped with the necessary curative apparatus and when they offer the same conveniences as the big European watering places, Roumania will have a worldwide reputation in this field.

Cultivation of the Vine in Roumania.

Due to its geographic situation, its climate, and the nature of its soil, Roumania presents excellent conditions for the cultivation of vineyards. Roumanian vineyards may be classed, according to the mode of cultivation and the species used, as follows:

1. The vineyards in Moldavia and Bessarabia occupy half of the cultivated area and yield more than 60 per cent of the total production. The wines of these regions have the following characteristics: they are white, light, have little alcohol, and are agreeable to the taste. In aging they acquire a particular bouquet. They transport readily and can be easily preserved.

2. The vineyards of Wallachia, of northeast Oltenia, and of north Dobrudja produce a superior quality of wines and table grapes. Among the principal centers of production are Daelul-Mare, Dragasani, and Sarica.

3. The vineyards of Arad cover a comparatively small space. Due

to the volcanic nature of the region, the wines have a strong percentage of alcohol. They are medium dry; they are dessert wines.

4. The vineyards of Alba-Julia and Tarnava, which are not very extensive, yield light wines with a marvelous bouquet.

5. The wines of Bihor, Satu-Mare, Banat, western Oltenia, and southern Dobrudja are not very important on account of the diversity of vines that are grown.

In 1932 Roumania had 821,042 acres of vineyards. Winegrowing is of high importance to Roumania both in social and financial respects. It provides work for more than 460,000 families and a whole series of enterprises cater to it, beginning with transportation. Much land that would otherwise be unsuited to cultivation is valuable as vineyard land.

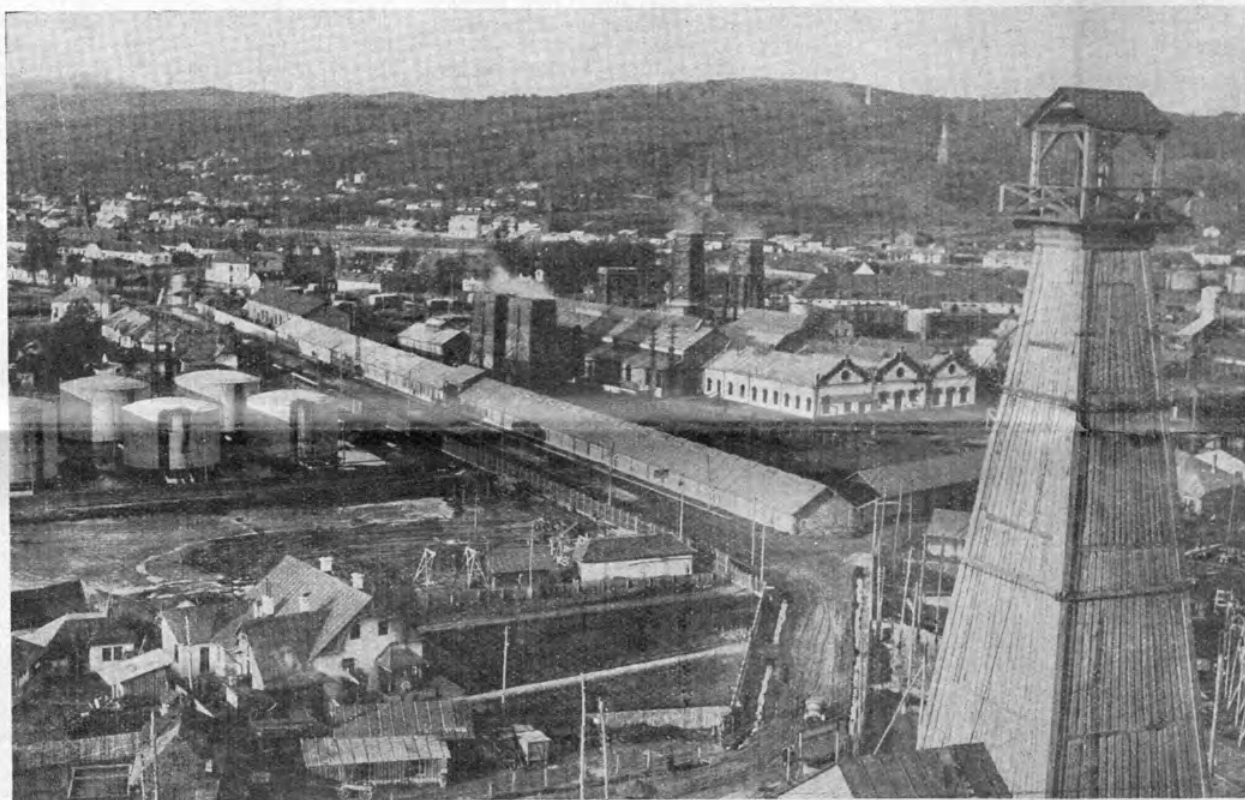
It is estimated that Roumania produces yearly more than 175,000,000 gallons of wine. Part of this amount is consumed by the producer, part is sold and drunk in the country or exported, and yet another part is distilled for the use of the brandy and wine industry.

Exports during recent years show the following figures:

1926	16,324,000 gallons
	72,000 gold dollars;
1927	47,938,000 gallons
	221,369 gold dollars;
1928	14,300,000 gallons
	61,904 gold dollars;
1929	8,844,000 gallons
	48,338 gold dollars;
1930	2,992,000 gallons
	13,247 gold dollars.

In accord with international agreements between wine producing countries, Roumania has by rigorous legislation and severe punishments stamped out all operations tending to falsify its production.

Thanks to these measures there is every reason to believe that Roumanian wines, highly appreciated around the world, will capture foreign markets despite the enormous difficulties resulting from a constantly decreasing world consumption and from increasing customs restrictions.



Moreni—the famous oil town in the oil district of Prahova.

YUGOSLAVIA'S NEW ECONOMIC ERA

By EMIL KEKICH

Last U.S. Commercial Attaché at Belgrade.

PROBABLY no country in Europe, and perhaps in the world, is at the present moment so apparently on the eve of fundamental economic transition as is the Kingdom of Yugoslavia. The past 13 years in this new country have been characterized largely by a period of the most essential and somewhat hurried post-war reconstruction. In a gradual but very perceptible advance toward the modern economic tempo, Yugoslavia is for the first time now entering the more settled stage of long-range development work in national husbandry.

Primitive Influences Waning

Belgrade is no longer a Balkan village. Its centuries old Turkish huts are being swiftly razed to be succeeded by new office and apartment buildings having every modernized convenience. While Yugoslav rustics are still to be seen walking bare-footed through Belgrade's best streets, often with a live goat, a suckling pig, or a couple of geese slung over their shoulders, there is a certain air of cosmopolitan smartness gradually permeating the atmosphere of the capital. The notoriously poor lighting systems, cobblestones and other accepted earmarks of backwardness in many of Yugoslavia's cities and towns, have given way to the inevitable new order. In short, the country has definitely embarked on a program of modernization, the full realization of which will require great expenditures of money, energy and time, and the assistance of foreign capital, materials and skill.

Agricultural Development.

Yugoslavia's total population at present is 14,000,000. In an area of 96,700 square miles this population apparently possesses virtually every basic resource for comfortable self-sufficiency. The climate, varying from temperate to typical Mediterranean, enhances an abundance and variety of agricultural production. Money crops, such as wheat, fruits, tobacco and wood, even under present undeveloped conditions, contribute heavily to Yugoslavia's normal favorable balance of trade.

Predominantly dependent on the land the population of Yugoslavia has appreciable latent possibilities in improving and standardizing the quality of the money crops. The Government has recognized that agriculture must be regarded as an industry, and is promoting the idea that measures must be undertaken to endeavor to adjust the land capacity to needs in order to compete in world markets. Although it is a tedious process to educate the peasants away from the old idea of producing merely for their own use in their own way, the Government devotes serious efforts, consistent with available funds, to promote cash crop production, modern cattle breeding and output of animal by-products. It is estimated that under improved methods and greater intensity, Yugoslavia could increase the value of its agricultural production, estimated at about \$400,000,000 a year, by several hundred percent.

Industrial Progress

A rather spectacular metamorphosis in Yugoslavia's economic structure has manifested itself in recent years in the strictly industrial field, but there appears to be a considerable gap to be overcome, before there is adequate ratio, in relation to resources between agri-

cultural and industrial production. The number of industrial enterprises, over 2,500, exclusive of agricultural products industries, has virtually doubled in 13 years. There has been rapid growth in the textile industry, built on pre-war foundations, and in shoe manufacturing, wood, cement, leather and chemicals. The textile and shoe industries, for example, have superseded much of the long prevalent peasants' cottage industry in supplying clothes and equipment and this trend is becoming more marked with time. The bulk of the present industrial undertakings are, of course, small with very limited capitalization. Exclusive of mining, the output of which is valued at \$200,000,000, the annual industrial production stands at present at approximately \$150,000,000. In addition, the yearly production of household industries, is worth about \$60,000,000.

Although the lack of capital and other impediments would preclude the prediction of any early notable development of large scale heavy industry in Yugoslavia, there are data to indicate certain specific opportunities. It is a curious fact that the only two modern mining ventures in the country, carried out on a big scale, the Bor copper and gold mines, and the Trepca lead and zinc mines, have both been tremendous successes, and under the present world depression they are working at increased instead of decreased capacity.

Steel Plant Project

As a result of these successes, a great many of the country's copper, gold, chrome, manganese, iron ore, magnesite and other mineral properties, on which there is lack of complete and accurate information, await exploration. In the industrial mining field lies one of the most important economic problems confronting the Government, namely, the possibility of erecting a modern steel plant to supply domestic requirements for iron and steel products, as well as those of the whole Balkan Peninsula, perhaps. Preliminary surveys indicate sufficient iron ore deposits, but the whole question is held in abeyance owing to lack of capital and because of certain technical difficulties. However, many of the mining belts in Yugoslavia may eventually find profitable exploitation on the basis of adequate raw material and low production costs.

Tourist Resources

Another important potential national asset with which Yugoslavia is blessed, is the climate, scenic beauty and historic charm of the Adriatic Coast, the 300 mineral springs, 40 health spas, and many mountain resorts throughout the country with which to attract the tourist. The foreign tourist traffic is just undergoing the beginning of organization, but in spite of limited expenditures, progress has been made since 1923. The number of foreign tourists increased according to available estimates, from 189,000 in 1924 to 333,000 in 1929. In 1930, it is estimated, over 100,000 foreign tourists, exclusive of business travelers, expended \$6,000,000 in Yugoslavia.

The Yugoslav Adriatic steamship service in recent years has been immeasurably improved, and today two modern palatial Yugoslav steamers ply up and down the coast, a marvelous trip through myriads of islands, which compares with that of the Japan Inland Sea and similar famous coastal voyages. World

figures have given Dalmatia, particularly, a good measure of advertising recently, and overseas steamers are increasingly using Adriatic ports of call for tourist purposes.

When further improvements are made in land communications a great increase in the yearly number of foreign travelers to Yugoslavia is certainly to be expected.

State Economic Planning

The largest burden of Yugoslavia's initial drive toward economic betterment has been necessarily carried by the Government. In a country where the bulk of the inhabitants is engaged in agricultural pursuits, with a small net income per capita, the incentive for the development of modern industrial technique must come from the Government. This is precisely what is happening in the Kingdom.

In the past 13 years the Government has spent close to \$1,000,000,000 in transport and communication facilities and other public construction work. Much of this represented an attempt to develop some of the most elemental factors necessary for modern living, aside from the repair of the setbacks of the war. Some \$85,000,000 were spent for construction of new railways, and nearly \$14,000,000 for repairs to harbors and the renovation of the river fleet. Approximately \$65,000,000 were expended on highways.

Before there can be any further notable progress in the output of both agricultural and industrial products, there is an enormous amount of work to be done which would involve the investment of anywhere from \$500,000,000 to \$700,000,000 in the next several years. The Government program, among other things, calls for 3,000 kilometers of new highways including 200 bridges; the building of railway lines, particularly from the rich Danube grain belt to the Adriatic Sea; construction of ports and plant for railway supplies; the erection of warehouses, grain elevators and silos; and irrigation and drainage of several million acres of land.

Foreign Capital Demand

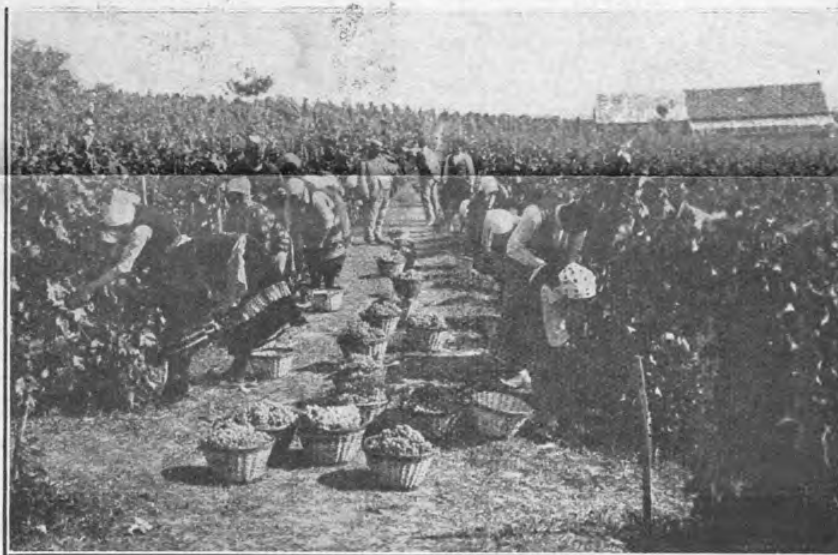
At the present time, there is not sufficient capital locally available to execute these major projects, although there would appear to be little question but that when world conditions permit, Yugoslavia will offer a wide field for the productive employment of money. There will be opportunities for foreign contractors, especially in electrical,

transportation and mining development which should pave the way for the growth of other industrial operations and create demand for private initiative in various undertakings. There are millions of dollars already invested in the country by foreigners, and since the Yugoslavs themselves do not have the capital and organization required, foreign interests will probably continue to negotiate, looking to investments in building, power, manufacturing, mining, etc., and the Government policy avows encouragement to such interests.

Trade Opportunities

Sooner or later, with lessening of the world tension, Yugoslavia seems destined to witness industrial and agricultural expansion. Such development will obviously create a demand for industrial machinery, and other products, which usually follow in the wake of modern industrial demand. Thus, as a market for American manufacturers, Yugoslavia should become more important in the future in engineering devices, machinery and industrial materials. At present it offers possibilities when the product features utility, such as the American radio, automobile and typewriter, which are extremely popular, for a considerable number of consumer articles especially in demand by the people dwelling in the urban centers, a class which is rapidly increasing. Undoubtedly, as conditions improve, the number of American manufacturers introducing their lines in this pioneer market will tend to grow. Yugoslavia receives normally over \$6,000,000 worth of American goods directly and in addition large amounts of American products come into the market through Continental European centers.

Direct American investment in industrial undertakings in Yugoslavia amounts to about \$12,000,000, and the Yugoslav Government obligations to the American investing public aggregates nearly \$60,000,000. Emigrant remittances from the United States reach approximately \$14,000,000 a year. These factors tend to bring closer trade relations between the two countries. In the past two years American manufacturers have, therefore, taken more notice of the possibilities of the area, and undoubtedly a much larger share will accrue to them when economic conditions again take an upward turn.



Vintage at Smederov on the Danube, where some of the best wines grow.



No. 2. H. M. the King talking to General Manager G. A. Ogilvie (profile) and H. H. Burrell, Director of Operations.

No. 1. King Carol signs the Inaugural Document.
No. 3. The Telephone Building of the Day of the Inauguration.

No. 4. Mr. Gr. N. Filipesco, chairman of the Board, introduces Mr. W. A. Troy, in charge of the construction of the Building, to King Carol.

No. 5. H. M. the King has a chat With U. S. Minister Wilson.

KING CAROL LAUDS I. T. T. RUMANIAN SUBSIDIARY IN INAUGURATING NEW TELEPHONE BUILDING — AMAZING PROGRESS BROUGHT TO LIGHT IN INAUGURAL CEREMONY — OFFICIALS GET HIGH RUMANIAN HONORS.

The highest distinction that can be aspired to by a commercial enterprise was bestowed upon the S.A.R. de T., Rumanian subsidiary of the International Telegraph & Telephone Corporation, when King Carol II inaugurating the new building which will serve as the Bucharest telephone exchange, heaped lavish praise on the company's two years record.

"We have to recognize that the effort made is praiseworthy," said King Carol "and we are confident that if work goes on with the same speed, everyone will be satisfied."

"If the Bucharest system still has room for improvement, we must admit that the company's international service is truly perfect—and this is of utmost importance for the country's economic life."

"I thank the Telephone Co. for the work it has done and wish it every success, certain that the country will benefit greatly from its effort."

The occasion for this remarkable endorsement of an American enterprise was the inauguration of the 10 story new telephone building which is referred to by the Rumanians as "our sky scraper."

The building which is located on Calea Victoriei, the very heart of Rumania's capital, houses the company's offices and the main Bucharest automatic exchange which has a potential capacity of 40,000 numbers. It was built in 17 months which constitutes a record for Rumania. The plans were made by L.W. Weeks of New York and adapted to local conditions by Mr. Van Saanen Algi, prominent Bucharest architect. Mr. W.A. Troy seconded by Mr. D. A. Stan of Bucharest was in charge of the construction.

The inauguration of the new building on April 24th at which gathered Rumania's foremost political, financial and industrial leaders, offered the company, a real opportunity to review its two years' activity.

Senator Gr. N. Filipesco, President of the Company, in his

speech which was delivered in King Carol's presence revealed that in its two years existence the company had invested almost as much in the country's telephone plant as the State had during the 30 preceding years.

He greatly impressed the distinguished audience by stating that in spite of the economic crisis toll calls originating in Bucharest had increased over 100 % in two years. President Filipesco further emphasized the fact that whereas Bucharest had telephone connections only with Belgrade, Sofia and Budapest before the formation of the I.T.T. Rumanian subsidiary, it now was connected with the entire civilized world including ships at sea.

After the company official's speech, Mr. Eduard Mirto, Minister of Communications, addressed the King and the audience expressing the Government's appreciation for the progress accomplished and gave his wishes for a continuous success.

When in November of this year the city of Bucharest is cut over to automatic service, the company will be in a position to satisfy all applications for new telephones. This fact will be truly appreciated by those who have known the congestion of the Bucharest system in 1930, when the only way of obtaining telephone service was to purchase a number from a subscriber, the price asked varying between 200 and 300 dollars.

The ameliorations brought to the toll service which attracted the King's praise have been truly amazing. Whereas in December 1930 only 22,500 calls originated in Bucharest, in December 1932 the number had gone up to 46,600. Under the old regime, over two hours were required to get a call through between Bucharest and a provincial centre such as Timisoara or Galatz. Now, it is very usual to get these towns on the wire in 5 minutes.

As a token of his appreciation, His Majesty the King of Rumania offered high decorations to Senator Gr. N. Filipesco, General Manager G. A. Ogilvie, Mr. H. S. Holt, Chief Engineer, Mr. H. H. Burrell, Director of Operations and Mr. E. H. Thompson, Comptroller.

ROUMANIAN MONOPOLIES

The "C.A.M." is Roumania's foremost agricultural, industrial, mining and commercial institution.



1.—The Experimental Station for raising and curing of tobacco at Baneasa (Bucharest).

General Information

THE monopolies of the State of Roumania (tobacco, salt, cigaret paper, matches, playing cards, explosives and cigaret lighters) are administrated and exploited by the "Caisse Autonome des Monopoles du Royaume de Roumanie" (the C.A.M. or the Autonomous Bank of Monopolies of the Kingdom of Roumania) through its headquarters at 152 Calea Victoriei, Bucharest.

This institution was established by the Law of February 7, 1929, for the purpose of administrating and exploiting the monopolies as well as to carry out all the commercial and financial operations (especially to issue and sanction loans) for monetary stabilization and the economic development of the State and its autonomous public establishments; it is administrated by a board composed of seven members elected for a period of four years.

The Law of 1929 provides the C.A.M. with a special juridical regime, allowing it full civil status and complete financial independence. Its operations are of a commercial order.

After its organization, the C.A.M. took over the entire exploitation of the monopolies which had hitherto been administrated by the State Regie of Monopolies (R.M.S.) as well as the entire inventory of the latter with a value of about 4 1/2 billion leis.

In return for this concession of the monopolies and the transfer of the acquired rights from the former State Regie, the C.A.M. was obliged, through its organizational statutes, to pay to the Roumanian State the lump sum of 300,000,000 dollars (U.S. money) as well as an annual premium.

Through legal authorization the C.A.M. contracted various loans at an issued value of about 160,000,000 dollars.

The bonds of the C.A.M. for the contracted loans enjoy a special privilege. The reimbursement of these bonds is made without deduction of the usual stamp taxes or other taxes, present or future, towards the State, Department, Municipality, Commune or other authority which might have the right of levying such taxes in Roumania.

In order to appreciate the entire importance of the financial contribution of the C.A.M. to the State, we must mention that the gross revenues of the latter amount annually to 6,500,000,000 leis (38,650,000 U.S. dollars) approximately. They help to cover the costs of administration and the exploitation of the C.A.M. including the necessary allowances for maintenance and amortizements (2,500,000,000 leis per year), all of which sums are exigible for the debts of the C.A.M. and the estimates for the floating capital and extraordinary reserve, the remainder being turned over to the State as an annual contribution.

The leading statistical data which have just been presented, and which concern the exploitations of the C.A.M. justify the important rôle that this institution has in the economic life of the State of Roumania.

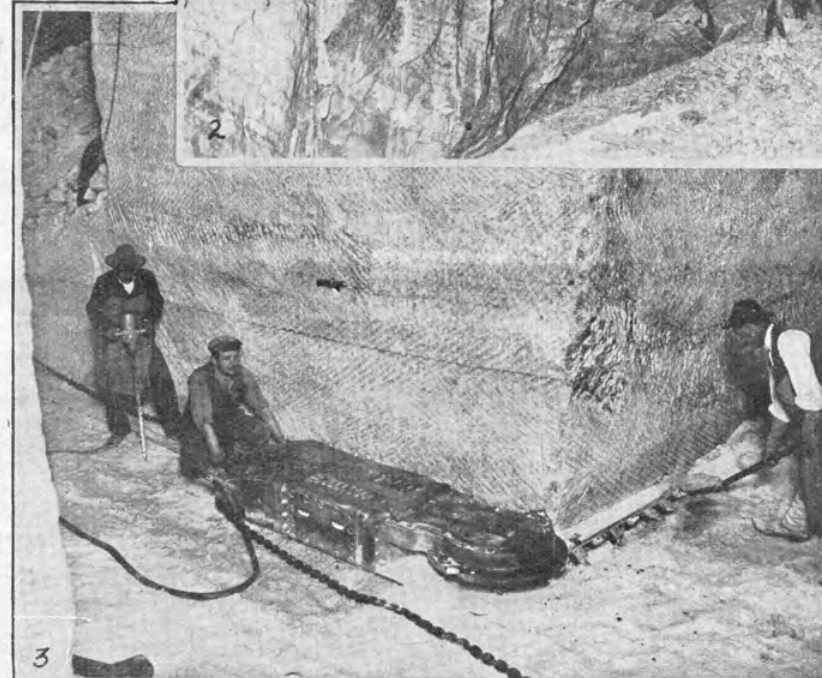
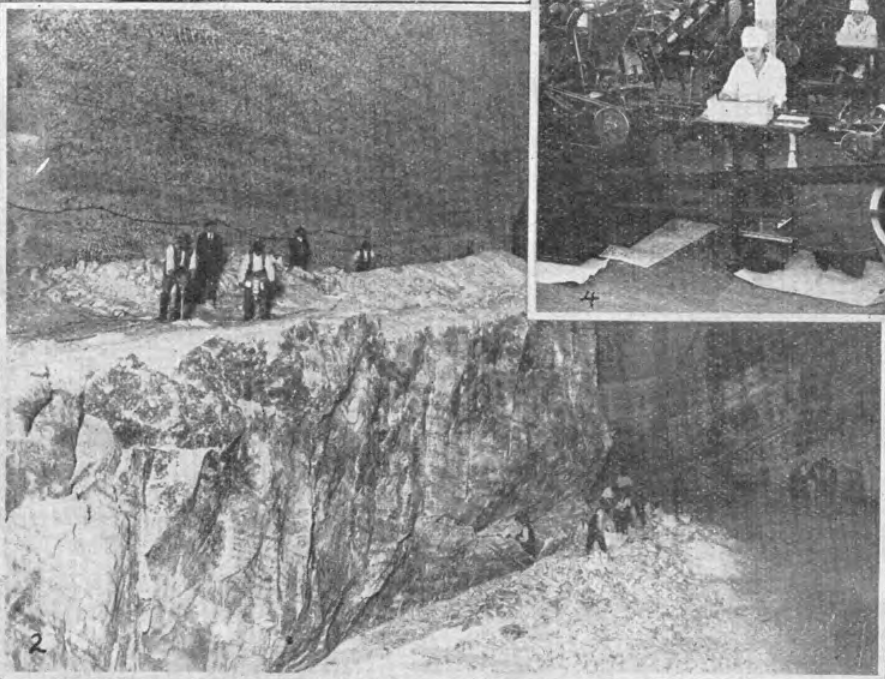
Principal Exploitations

The tobacco monopoly produces the most important revenues for the C.A.M. The annual receipts of this monopoly come to 5 billion leis or about 80 % out of the total of the receipts of the C.A.M.

The tobacco monopoly began in 1872

2.—The salt mines at Slanic - Prahova.

3.—Salt mine of Slanic-Prahova.



and was due to economic expedients, since the exploitation of the tobacco industry assures the State a very large revenue. Of the total amount of tobacco raised and consumed 98 % is native and 2 % imported.

Thanks to climatic conditions in Roumania, which are very favorable to the raising of tobacco, the latter has developed to such an extent that nearly 32,000 hectares are sown annually and 80,000 cultivators are employed.

The annual production of uncured native tobaccos is 25,000,000 kilos of which the greater part is consumed at home and the rest exported. The quality of this tobacco is very much appreciated abroad, especially the Oriental varieties acclimatized in Roumania of which the larger part are pure Jaka-Persian and the others hybrid Ghimpatz-Ialomitza-Satmar-Banat. The tobaccos of Bessarabia are noted for their fine aroma and their clear yellow color.

Because of the intensification in tobacco culture and the improvement in the quality through the most recent methods of experimentation, the C.A.M. has created at Baneasa, near Bucharest, an experimental institute for the raising and curing of tobacco which is today one of the most modern of this kind in Europe.

The manufacture of tobacco is carried out at six centers—Bucharest, Cluj, Iasi, Sft. Gheorghe, Timisoara and Chisinau as well, as in the special atelier for the man-

ufacture of cigars on the island of AdaKaleh on the Danube at the Iron Gates. This includes the manufacture of cigarets, cigars, cut tobacco and all derivatives. The superior grades of cigarets and cigars are made of imported tobacco or combined with native as the case may be.

Salt

The salt monopoly is also one of the most important of the Roumanian State. From the point of view of revenue it is the second in importance. The returns from this monopoly are about 600,000,000 leis.

Salt is at the present time exploited in 8 salt mines which are in every corner of the country. The most important are those of Slanic, Ocnele Mari, Targul Ocna and Uioara.

Roumanian salt from a chemical point of view is of exceptional purity; in fact, here follows the chemical analysis which represents the average chemical composition of 32 samples of salt:—

Na Cl	97.7677—99.9407	%
H ₂ O	0.0065—0.1060	%
Insoluble Substances..	0.0060—0.4840	%
SO ₄ Ca	— — 0.9735	%
SO ₄ Ca	— — 0.9735	%
SO ₄ Mg	— — 0.1933	%
Mg Cl ₂	— — 0.2735	%
Ca Cl ₂	— — 0.1874	%
Iodine (in form of iodide)	36 micrograms per kilo.	

The annual production of salt is about 300,000 tons (metric), while domestic consumption reaches about 70-80 % of the total output, the other 20-30 % being exported.

If the needs of foreign markets so required, the amount for exportation could be increased indefinitely so as to cover all orders, since the capacity of produc-

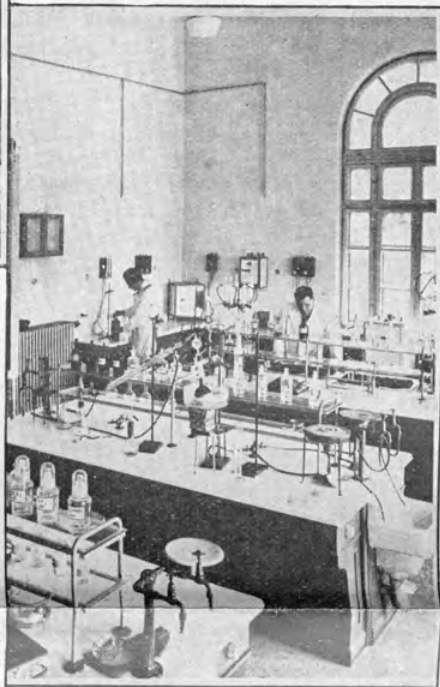


4.—Tobacco manufacture at bebedere (Bucharest) showing the packing of cigarets.

5.—The Research Laboratory at the Experimental Institute for raising and curing tobacco.

tion of the Roumanian salt mines is far above the present output and the salt deposits are calculated, according to specialists, at approximately 15 1/2 billion metric tons distributed among 200 veins.

Aside from rock-salt, the C.A.M. produces also salt by evaporation (Salino Cacica), which is used for various industrial and even medicinal purposes. Certain salts also produce the special brine



used for the manufacture of caustic soda and other industrial derivatives.

It is very important to note, however, as for the possibilities of salt exportation, which are continually increasing, that Roumania possesses very extensive facilities for water transportation, either by the Black Sea through the ports of Constantza and Braila for the Orient and abroad, or on the Danube by the port of Giurgiu for Central Europe.

Finally, the C.A.M. makes important price reductions for the needs of enterprises having use of large quantities of industrial salt.

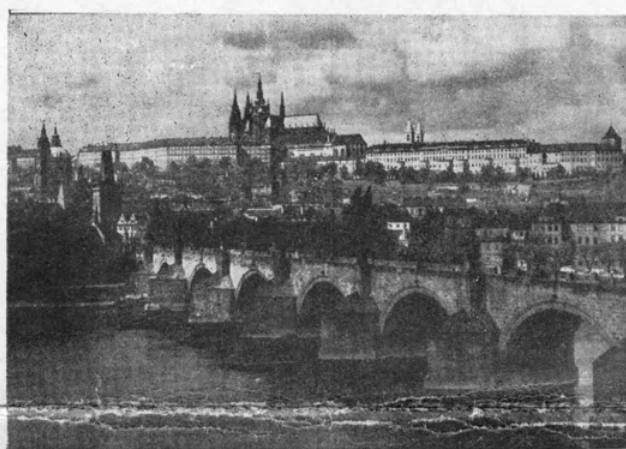
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