crowd. A shot from a neighboring house called forth an answering volley from the crowd. Hand-grenades were thrown and several persons were more or less seriously wounded.

As a result of these and similar uprisings 56 Communist leaders, among them Bela Kun, Bela Vago and Dr. Eugene Lasslo, were arrested on March 5th by the coalition government.

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The inter-political situation in Hungary had undoubtedly reached a critical period. Nor was the international situation, in so far as it affected the affairs of the Hungarian republic, more promising. Under the terms of the armistice between Austria-Hungary and the Allied nations, a large part of what had been Hungarian territory was occupied by Allied troops. This occupation was rendered particularly irksome to the national instincts of the Hungarian people, because these troops came from the smaller nations who had always constituted a menace to the Hungarian frontier. Its most fruitful stretches of land were given over to the Tchechians in the North, to Rumania on the West, to Servia on the South. There were frequent clashes between the population and the occupying forces, that kept alive a bitter spirit of resentment. About the middle of March, Admiral Trowbridge ordered the Hungarian government, without previous negotiations, to deliver all navigation rights upon the Danube into the hands of the Tchecho-Slav Republic. This cut off Hungary from one of its most important industrial resources, in spite of the fact that the Tchechian racial population extends nowhere nearly as far as the arbitrary borderline established by this order. A few days later the Entente officially capped the climax by sending the famous note that gave to Rumania an important portion of Hungary, making the military lines established by the armistice permanent. The coalition government was placed before an impossible alternative. To submit, meant open revolution in Hungary. To refuse, meant war with the Allies. And neither Karolyi nor his cabinet were prepared to undertake this step. There was but one way out of the situation. Count Karolyi resigned with his cabinet and turned over the political control of the nation to the Workmen's and Soldiers' Council, "to insure the rule of the proletariat and as a protest against the Imperialism of the Entente." Karolyi resigned, as the words of his proclamation plainly show, because conditions at home, as well as the state of foreign affairs, had reached a crisis that he and his government could no longer hope to control.

Since the establishment of the control of the Workmen's and Soldiers' Council on March 22, events have moved with startling rapidity. The new government, a coalition of all wings of the Socialist movement, has undertaken the immediate socialization of Hungarian industrial resources, as the only means of stabilizing industrial conditions and preserving the country from complete collapse. According to a proclamation to the whole world:

"... the Social Democratic Party and the Communist Parties of Hungary have united into a single party and have created a dictatorship of the proletariat without the loss of a single drop of blood. For the present, the powers of government lie in the hands of a Council of People's Commissaries, until such time as the National Congress of Workmen's and Sailors' Councils shall decide upon the ultimate form of a Soviet government. The Hungarian proletariat has unanimously united its forces under the flag of the dictatorship of the proletariat and of the world revolution. It will take up the struggle against the Imperialism of the capitalist governments, hand in hand with the Soviet government of Russia and with the proletariat of the entire world, who have recognized that in the open revolution of the united workers, soldiers and peasants lies the only possibility of crushing the forces of international Imperialism and of realizing our Socialist ideals.

"The Hungarian proletarian revolution arose out of two causes: the one was the determination of all poor peasants, proletarians and soldiers no longer to bear the oppressive yoke of Capitalism; the other cause was the Imperialism of the Entente, which threatened to deprive the people of Hungary of all supplies, of its raw materials, and of the very possibility of existence by dividing up its territory among the neighboring nations.

"The ultimatum of the Entente demanding the immediate cession of one-half of the nation to the Rumanian oligarchy was answered by the Hungarian people with the establishment of a dictatorship of the proletariat. The Tchecho-Slav and Rumanian conquerors hope to defeat the revolution of the Hungarian proletariat by force of arms. We appeal to the Tchecho-Slav and to the Rumanian soldiers to refuse to obey, to mutiny and to turn their weapons against their own oppressors, that they may not become the hangmen of their brothers, the workers and soldiers of