The Marshal has also issued an order restoring peasant proprietorship in Transdniestria.

Ten new areas have been opened for oil prospecting, and nineteen oil concerns have been amalgamated to develop and exploit new fields. All machinery for oil production has been released from import duty and tax concessions to oil companies have been extended. The military object of these measures has been revealed by an order which requires all industrial undertakings in Roumania to convert their firing installations so as to consume solid fuel, water power or natural gas, a conversion which has to be completed by September 1943.

Reports agree that the opposition in Roumania remains passive and divided. It is said to have lost ground through underestimating the Soviet danger and (particularly in the case of Maniu) by concentrating exclusively on the Transylvanian issue. Nevertheless, if recent reports quoted by Moscow radio are well founded, it appears that Germany has no confidence in Roumania's attitude, especially perhaps in view of a possible invasion of the Balkans. These reports, not yet confirmed, maintain that tension has been caused in Bucharest by the arrival of Kaltenbrunner, the Gestapo chief. Many opposition leaders there said to have fled and mass arrests have been made by the Gestapo and the S.S. Evacuation permits have been cancelled and no one may leave or enter the capital without permission. It is even added that many Cabinet Ministers are under German house arrest or surveillance pending the completion of the Gestapo sweep.

There was fierce fighting, with varying success, at the end of May in Montenegro. The partisan forces, encircled by German, Italian, Bulgarian and Croat troops, are evidently in great difficulties. On the 10th June Radio "Free Yugoslavia" admitted that the Germans had taken Shavnik and Goransko and that the partisans had fallen back to the left bank of the Tara. Donauzeitung laid great emphasis on the use of aircraft in breaking down the morale of the partisans. On the 14th Transocean claimed that, despite the adverse weather conditions, the Axis offensive was proceeding satisfactorily. The partisans were constantly trying to break out into the fertile valleys, their only source of food. Also the partisans were said to be suffering terribly from typhus. On the other hand, the Berlin correspondent of Stockholms-Tidningen wrote, on the 18th, that the encircling ring was said to be very thin and that the suppression of the partisans would still take some time.

German local newspapers state that Mihaylovitch's troops in Montenegro, which they estimate at four to five brigades, are now with the partisans; and the Journal de Genève, in May, had a long article from Dubrovnik, which stated that the reconciliation of Mihaylovitch and the partisans was the dominant fact of the

Much successful sabotage in Slavonia, especially on the railways, is claimed "Free Yugoslavia," and fierce fighting on a small scale in Italian-occupied Slovenia, along the border of German-occupied Slovenia, and in Lika. The German press continues to announce casualties in German-occupied Slovenia.

A private report confirms the impression of great confusion in Croatia; of the rivalry between the Italophil ex-émigré Ustashe and the Germanophil Ustashe who were in Croatia before 1941; of the poor supplies, equipment and morale of the Croat armed forces; of the reluctance of the troops to be sent to Germany for training lest they should, like their predecessors, be despatched to Russia; of the administrative chaos caused by the destruction of records; of the educated class's contempt for the Ustashe and terror of a Communist revolution. The Croat Minister of National Economy was reduced to asking the peasants to state their requirements of grain and what they considered the best method of surrendering their surplus. After Himmler's visit several hundred of the remaining Jews are said to have been deported to the Reich; and many Slovenes, including 200 clergy, to have been handed over to the Germans.

"Free Yugoslavia" maintained its appeal to the Serbian peasants to defeat the collection of wool, 2 kg. from each sheep, for the Germans. The Neditch Government, on the 5th June, ordered all places of refreshment in Belgrade to instal radio apparatus within a month and enjoined absolute silence during official announcements, under pain of fines, prison or forced labour. The drive for forced labour continues. Shops and offices in Belgrade have to close at 3 P.M. to enable the Germans to use the employees for afternoon work.

In the south the Bulgarians are having trouble with Serbian Komitadjis. 1,000 Albanian families are said to have been transported from Bulgarian-

occupied Macedonia to the neighbourhood of Prishtina in Kosovo. The resignation of the Yugoslav Government was precipitated by its Croat members, who took the line that a declaration of policy was useless, since, as long as Dr. Yovanovitch was Premier, nothing would be done. King Peter, who had expressed to Dr. Yovanovitch his wish to recall the Ban of Croatia from the United States (see Summary No. 192), a proposal distasteful to the Premier accepted Dr. Yovanovitch's resignation. He had then failed to persuade Dr. Grol to form a Government, and was hoping that M. Bobitch would accept office. M. Bobitch, though, as a Serbian Radical, unacceptable to the Croats, is said to be devoted to the ideal of United Yugoslavia.

The Premier, M. Filov, surveyed Bulgaria's foreign relations in a speech made on the 17th June to the parties forming the Government majority. The most important point was the emphasis which Filov laid on "the traditional friendship prevailing between Bulgaria and Turkey in view of the latter's policy of neutrality." The "traditional friendship between Hungary and Bulgaria" had been "further deepened." Some differences with Roumania had been eliminated by new agreements, and relations had grown "more cordial." Anglo-Saxon propaganda was just as noxious and dangerous to Bulgaria as Communist

propaganda.

Filov also explained a new organisation—the Bulgarian National or Popular League which it is proposed to found as a national political organisation to which all Bulgarians will have to adhere "in order to master the tasks of the present and to wage the struggle against anti-State and anti-national elements." The Premier in office is always to be the head of this organisation, but other details have still to be worked out. A committee had been established for this purpose. All State and commercial institutions connected with the war industry have

been made subject to the law on civil mobilisation.

A hitch in the negotiations has caused the indefinite adjournment of the settlement of the Bulgarian-Albanian frontier in the region of Lake Ochrida. Many members of the Italian colony in Sofia are leaving for Italy; according to

German sources, because they have volunteered for military service. On the 10th June the establishment of the Greek Government in Cairo was officially recognised by the Egyptian Government, which also accorded diplomatic privileges to the foreign missions accredited to the King of the Hellenes. The Greek Government has appointed M. Varvaressos, hitherto Minister of Finance, to be Ambassador-at-large charged with post-war reconstruction problems M. Tsouderos himself has taken the portfolio of Finance, with an under-secretary resident in London. M. Pericles Argyropoulos has been sent on a special mission to report on the Greek communities in liberated territory in North Africa. Broadcasting again to the Greek population on the 15th June, M. Venizelos urged Greeks of all parties, whether in Greece or abroad, to unite in the face of the enemy, and in reply to the criticism that M. Tsouderos's Government was onesided, he again emphasised M. Tsouderos's intention to enlarge the basis of the Government at the earliest moment possible so as to make it representative of

It is to be feared that there is much truth in reports that, in trying to Bulgarise the parts of Thrace and Macedonia which they occupy, the Bulgarians are following the methods of savage persecution for which Macedonia formerly was notorious. If the Greeks quit they lose their property. If they stay they risk being conscribed for labour or deported as hostages. Their food supplies are cut down, their taxes are intolerable, executions are frequent in reprisal for patriot activities which continue in spite of all, Greek churches, schools and hospitals are closed, no Greek newspapers are allowed, Bulgarians are imposed as business partners and Bulgarian riff-raff are settled in the emptied villages. Many Greeks have fled to the Evros district next the Turkish frontier, which is still occupied by the Germans and administered by Greek officials.