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# GERMANY CONTINUES PRESSURE ON BALKANS

## Economic Influence Is Exerted on Bulgaria and Rumania

Wireless to THE NEW YORK TIMES.  
SOFIA, Bulgaria, June 10.—The possibility that Premier George Klosselvanoff will go to Berlin soon—there have been persistent rumors to that effect lately—is now taking definite shape. Confirmation is found in the fact that the Premier today had a long audience with the German Minister who is reported to have suggested that the trip be limited exclusively to Germany.

If the visit materializes, economic questions will play a large part in the Berlin discussions. German commercial and industrial influence is constantly growing in this country.

Already this year, for instance, parties of merchants, engineers, architects, agriculturists and physicians have come here from Germany—in connection with Economics Minister Walther Funk's plan for the development of Bulgaria's resources. There is also Minister of Agriculture Bagrianoff's Five-Year plan for doubling farm production which, it is understood, was prompted by Herr Funk.

Meanwhile a Bulgarian delegation will go to Rome tomorrow to negotiate a trade agreement, as the result of which it is hoped to increase mutual commercial exchanges. Hitherto Italy has taken only 4 per cent of Bulgaria's exports.

King Boris and his Queen will also go to Italy soon to attend the marriage of the Duke of Spoleto to Princess Irene of Greece.

Wireless to THE NEW YORK TIMES.  
BUCHAREST, Rumania, June 10.—German peaceful penetration of Rumania continues unabated. Here is one day's activities:

Fifty-four engineers arrived from Germany to investigate the possibilities for investment of German capital.

A group of German navigation experts began an inspection tour of the country.

The Ministry of Public Health placed a large order for quinine and other drugs in Germany.

In addition to these activities, King Carol today gave an audience of half an hour to Baldur von Schirach, German youth leader who had come with a delegation from Berlin to attend a youth festival in connection with the celebration of the anniversary of the King's restoration.

# MEXICAN RAILWAY SEEKS FUNDS HERE

## Improvement on Tehuantepec Is Planned to Permit Oil Sales to Japan

### \$1,000,000 IS NEEDED NOW

## Tokyo Is Buying in California Because of Canal Tolls on Mexico's Product

MEXICO CITY, June 10 (AP).—The Mexican Government was reported today to be seeking cash and credit in the United States for the development of a better railway across the Isthmus of Tehuantepec to provide a direct outlet for oil sales to Japan.

Informed sources asserted that Ulysses Irogoyan, former chief of the tariff and railroad section of the Federal Communications Department, had gone to the United States to enlist the help of shipping and financial interests to back the necessary improvements.

Señor Irogoyan was said to be representing the Mexican Treasury. Official information on his trip was not forthcoming, but he was expected to get in touch with both West Coast and Eastern interests.

The railroad across the Isthmus—which runs 188 miles from the Atlantic to the Pacific side—now handles 400,000 tons of freight yearly, but requires approximately \$1,000,000 for immediate improvements or, one authority estimated, \$10,000,000 to put it in first-class condition.

### Disappointed by Barter Deals

The sale of oil from properties Mexico expropriated from American and other foreign concerns on March 18, 1938, has been a major problem. While Mexico has completed barter deals with Italy and Germany, business men say these negotiations have not worked out as well as had been hoped.

Mexico has been virtually cut out of the Japanese market for oil by the lack of efficient direct communications from the oil-producing east coast to the west coast and of loading facilities for petroleum on the Pacific Coast.

Japan finds it cheaper to get oil in California than to buy at a lower price in Mexico and pay tolls for

shipment from Gulf of Mexico ports through the Panama Canal.

Government railroad experts say improvements of the present railroad would create an important interocean commercial link and bring welcome business to the worker-operated National Railways. Melquiades Angulo, Minister of Communications and Public Works, said after an inspection of the zone that a first class rail line would require complete rebuilding of the present railroad.

Petroleum loading facilities at Salina Cruz, at the Pacific terminus of the line, are being studied with a view to new construction as a part of investigations undertaken by various government commissions. Government engineers recently completed a dredging project at Salina Cruz and erected a breakwater to keep silt out of the harbor.

### Both Ports 24 Feet Deep

The work deepened the channel to twenty-four feet, enough to permit the entry of large vessels. Such craft already can enter Puerto Mexico, the Atlantic terminus.

"The government is going to make improvements in the isthmus transportation service just as fast as finances permit," said one official. "Keep your eye on the Isthmus of Tehuantepec; things are happening down there."

Under study by a government planning commission is a proposal to erect a pipe-line across the isthmus. There have been reports that Japan might help build the line, which experts say would cost at least \$3,000,000. But Japanese here discount these reports as out of the question.

# Reich to Let American Youth Go

BERLIN, June 10 (AP).—The Ministry of Justice decided today not to prosecute William Bardwell Curts, 20 years old, of Oakland, Calif., charged with having slandered the German State, on condition that he leave Germany. Consul General Raymond H. Gelst is making arrangements for Mr. Curts to leave. The American was arrested May 15 in Heidelberg after he had written an anti-Nazi verse in a beer-hall guest book.

# Paul Back From German Trip

Wireless to THE NEW YORK TIMES.  
BELGRADE, Yugoslavia, June 10.—Prince Paul, the Regent, and Princess Olga returned today from their German visit. There is no further talk at present of the Prince's going to Bucharest. He will undoubtedly discuss the Croat problem forthwith with Premier Dragisa Cvetkovich, but well-informed circles do not anticipate a solution in the near future.

