As one familiar with Papen's activities since before our participation in the World War and who has had quite intimate contact with his activities in Germany and in Austria in the last few years, I can only say that the editorial is based on fact. The frank way in which his insidious activities in Austria and in South-Eastern Europe are covered in this editorial and in the news item in the GUARDIAN seems to have had its effect in Belgrade. The Press Attaché of the Yugoslav Legation here sent for the correspondent of the MANCHESTER GUARDIAN here this morning (February 28) and, obviously under detailed instructions from Belgrade, told him that the Hodza visit to Belgrade had had much more good effect than the newspaper articles in general on it indicated. The Yugoslav Press Attaché here is known to be in close contact with Papen, and it is therefore all the more interesting that he endeavored in every possible way this morning to give the GUARDIAN correspondent a good impression.

Yugoslavia, he said, believed in the Little Entente, which was a very real thing. Yugoslavia would cooperate most thoroughly in every way within the Little Entente. His country was prepared to cooperate with Austria, but wished Austria to give a stronger reassurance on restoration than the statement up to now that the question was not "actual". He went to far as to say that the visit of Hodza to Belgrade had done much to remove the obstacles in the way of a visit of the Austrian Chancellor to Belgrade and that he believed that such a visit might now be arranged. Yugoslavia, he said, appreciates that Nazi Germany is as much a danger to it as it is to Austria, and it was wrong to say that his Government would look with favor on Anschluss. It was in reality as much against Anschluss as against restoration. But, he added, Yugoslavia had to keep up her commercial relations with Germany. His country had already over 600 million dinar tied up in Italy as a result of participation in the sanctions. Germany might not be able to pay now for what they got, but they would have to keep as much trade going with Germany as possible and endeavor to get paid.

I consider it quite significant and encouraging that the Belgrade Government should have thought it necessary to take so much notice of this editorial and news item in the GUARDIAN. I gather that it was quite clear that the Press Attaché and the Minister, who both saw the GUARDIAN correspondent this morning, were acting under very detailed instructions from Belgrade. The action supports the view held by some observers here as to the good effects of Hodza's visit to Belgrade.