

"BADOGLIO MUST GO, WE WANT FREEDOM"

BERNE, Saturday (R). — Crowds in many Italian cities are now reported to be demanding Badoglio's resignation and his replacement by Crown Prince Umberto. In Piedmont, Royalist demonstrators are parading the streets chanting: "Badoglio must go, we want freedom."

Messages state that the Allied warning about the resumption of the air offensive has had a remarkable effect there. It is learnt from an authoritative source that the representatives of several political parties and other influential personalities on Friday handed Badoglio a petition stating that the "extreme seriousness of the situation demands immediate decision on the grounds of the reality of the war situation and the wishes of the majority of the nation. The continuation of a delaying policy will only endanger Italy's possibilities for a better future."

Press Attacks Ministry

Despite a muzzling order by the new Minister for Popular Culture, Dr. Guida Rocco, the newspaper "Popolo di Roma" attacked the Government saying: "If Badoglio continues his present policy, he is guilty of an act of violence and oppression against the nation's will and determination. It is cowardly for the Government to remain only on the borderline of liberty. The Italian public are sufficiently ripe to enjoy full liberty."

At the meeting of the Cabinet on Thursday it was decided to proceed with the elimination of all laws "not corresponding to the spiritual and legal traditions of the nation. The Fascist youth organizations are to be dissolved.

"The Arnaldo Mussolini Institute is also to be dissolved, certain university professors reinstated, and 40 million more lire to be allocated for the erection of workers' dwellings. All funds of the Ministry of Italian Africa will be used to help children from Libya. All Fascist Party funds have been frozen."

Coincident with the decree issued in Rome blocking all bank accounts of prominent Fascists, a series of arrests occurred affecting outstanding manufacturers charged with war profiteering.

The arrests are stated to be only the first group and many more are expected in the near future. It is understood that Ciano, Scorza and Pirelli were among those arrested yesterday.

Fascist Leaders Arrested

The Fascist Party Secretary, Carlo Scorza, is among the first batch of 14 former high Fascists charged with fraud.

The Cabinet approved a decree providing that the transfer of press agencies and other editorial undertakings must be approved by the Minister of Popular Culture. He will nominate special commissars "to

be attached to any news-agency receiving a State subsidy. Directors and editors of daily and periodical papers must be authorized by the Minister, as otherwise the papers will be suppressed," the Agency says. The measure will remain in effect for three months after the war.

The Rome radio said on Friday night: "The Italian financial situation is very grave." State debts were announced for the first time for many years when Thursday's report of the Financial Ministry was broadcast. The war expenditure is about 80,000 million lire every month.

Cannot Capitulate

Explaining the Government's refusal to surrender, the Rome radio in an overseas broadcast last night said: "All Italians know full well the practical reasons and honourable motives which forbid us to think of capitulation."

"This would mean not the end of the war but the intensification of war on Italian soil which would become the battlefield for foreign armies. Our enemies want Italy to become a slave and covered with shame. Opening the road to Germany for them might mean a civil war with all its horrors.

"It is manifest that under these conditions no Government worthy of the name and no people who want to live and progress in liberty, can choose other than war and loyalty to its alliances."