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GREAT BRITAIN DROPS 17-YEAR-OLD MANDATE OVER PALESTINE

CREATES INDEPENDENT JEWISH, ARAB STATES

SETS UP JERUSALEM-JAFFA "CORRIDOR"

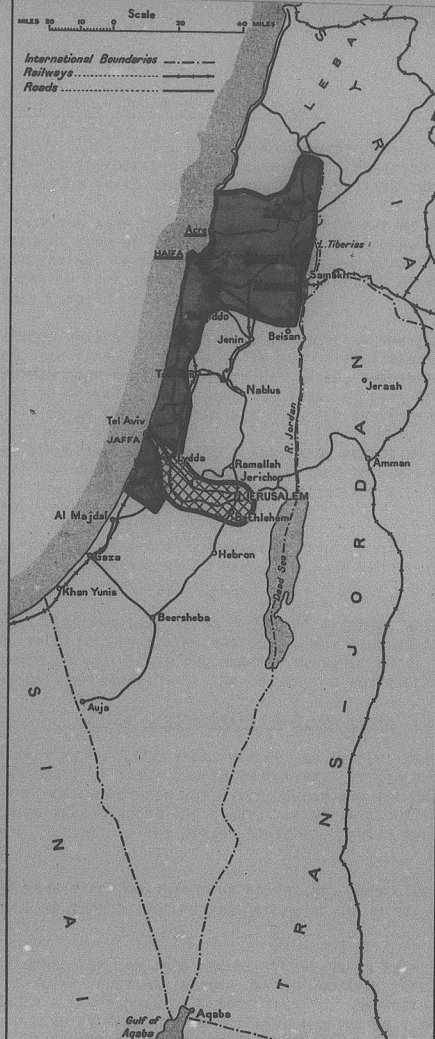
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* HIGHLIGHTS OF ROYAL COMMISSION'S REPORT *
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1. BRITISH ROYAL COMMISSION, HEADED BY LORD PEEL, UNANIMOUSLY RECOMMENDED PARTITION OF PALESTINE INTO JEWISH AND ARAB INDEPENDENT STATES AND A BRITISH-MANDATED AREA WHICH WOULD INCLUDE JERUSALEM, BETHLEHEM AND NAZARETH.

2. BRITISH CABINET ADOPTED THIS AS OFFICIAL GOVERNMENT POLICY AND PREPARED TO ENFORCE IT, WARNING THAT MARTIAL LAW WILL BE IMPOSED IF SERIOUS DISORDERS OCCUR.

3. COMMISSION'S 404-PAGE REPORT APPORTIONED BLAME FOR PALESTINE'S TROUBLES AMONG ARABS, JEWS, BRITISH ADMINISTRATION, THE LEAGUE MANDATE TERMS AND BRITAIN'S CONFLICTING PROMISES TO JEWS AND ARABS DURING WORLD WAR.

4. REPORT HELD PARTITION OFFERED ONLY HOPE OF PEACEFUL SETTLEMENT OF RECURRING DISORDERS IN HOLY LAND.



- 1.. SHADED AREA IS PROPOSED JEWISH STATE
- 2.. CROSS-LINED AREA IS PROPOSED TERRITORY TO BE UNDER NEW BRITISH MANDATE
- 3.. UNSHADED AREA IS TO COMPRISE ARAB STATE

HOPE TRIPARTITION WILL END "IRREPRESSIBLE CONFLICT"

LONDON, JULY 7. (JTA) -- THE BRITISH GOVERNMENT TONIGHT PUBLISHED ITS PLAN FOR SETTLING THE "IRREPRESSIBLE CONFLICT" IN PALESTINE BY CREATING INDEPENDENT JEWISH AND ARAB STATES THERE, WITH A THIRD STRIP OF LAND UNDER BRITISH CONTROL.

CONVINCED THAT THE AIMS OF JEWS AND ARABS IN PALESTINE ARE IRRECONCILABLE, AND THAT, UNDER THE PRESENT FORM OF GOVERNMENT, VIOLENT DISORDERS WILL CONTINUE, THE ROYAL COMMISSION ON PALESTINE, IN A REPORT ISSUED WITH THE STAMP OF CABINET APPROVAL, RECOMMENDED ABANDONMENT BY BRITAIN OF THE 17-YEAR-OLD LEAGUE OF NATIONS MANDATE AND PARTITIONING OF THE HOLY LAND.

BLAMING VARIOUS PHASES OF PALESTINE'S TROUBLES ON THE ARABS, THE JEWS, THE BRITISH ADMINISTRATION, THE TERMS OF THE MANDATE, AND BRITISH WARTIME COMMITMENTS TO JEWS AND ARABS, THE SIX-MAN COMMISSION HEADED BY EARL PEEL, APPOINTED LAST JULY DURING THE ARAB GENERAL STRIKE TO DETERMINE THE CAUSE AND POSSIBLE CURE OF THE DISORDERS, UNANIMOUSLY URGED PARTITION AS THE ONLY WORKABLE PLAN FOR ENDING THE RECURRENT OUTBREAKS.

THE CABINET SIMULTANEOUSLY ISSUED A STATEMENT ESPOUSING THE MAJOR RECOMMENDATIONS OF THE REPORT, AND ANNOUNCING STEPS IT WILL TAKE TO PUT THEM INTO EFFECT, COUPLED WITH A WARNING THAT ANY SERIOUS UPRISING IN PALESTINE NOW WILL BRING PROMPT DECLARATION OF MARTIAL LAW.

THIS ADMONITION WAS BACKED BY AN ARRAY OF BRITISH MILITARY STRENGTH, WITH 18,000 TROOPS AND POLICE STANDING BY IN PALESTINE, AND THE CRUISER REPULSE STATIONED AT HAIFA.

THE STATEMENT ALSO PROPOSED AS AN "INTERIM" MEASURE, WHILE THE PARTITION SCHEME IS BEING EFFECTED, TO LIMIT JEWISH IMMIGRATION IN ALL CATEGORIES TO 8,000 PERSONS FOR THE EIGHT MONTHS FROM JULY 31 (WHEN THE PRESENT SCHEDULE ENDS) TO MARCH, 1938, "PROVIDED THE ECONOMIC ABSORPTIVE CAPACITY OF THE COUNTRY IS NOT EXCEEDED."

FIRST JEWISH STATE IN 2,000 YEARS

FOR THE FIRST TIME IN 2,000 YEARS THE JEWISH PEOPLE, UNDER THE PLAN, WOULD HAVE A SMALL INDEPENDENT STATE OF THEIR OWN IN PALESTINE. IT WOULD OCCUPY ROUGHLY THE NORTHERN ONE-THIRD OF THE REGION BETWEEN THE RIVER JORDAN AND THE MEDITERRANEAN SEA, WITH A NARROW EXTENSION SOUTHWARD ALONG THE COAST, TAKING IN ABOUT THREE-FOURTHS OF THE COUNTRY'S SEABOARD. ALTOGETHER THE JEWISH STATE WOULD HAVE ABOUT SEVEN TIMES THE AREA OF NEW YORK CITY.

MOST OF THE REMAINING TWO-THIRDS OF PALESTINE, ACCORDING TO THE COMMISSION'S RECOMMENDATIONS, WOULD BE TURNED OVER TO THE ARABS, TO BE UNITED WITH TRANSJORDAN AS A SOVEREIGN ARAB STATE.

THE CITY OF JERUSALEM, AN AREA AROUND IT TAKING IN BETHLEHEM, AND A NARROW CORRIDOR TO THE PORT OF JAFFA, CUTTING THROUGH JEWISH AND ARAB TERRITORIES, WOULD REMAIN IN BRITISH CONTROL UNDER A NEW PERMANENT LEAGUE MANDATE. NAZARETH, IN THE MIDDLE OF THE JEWISH STATE, WOULD ALSO BE MANDATED TO BRITAIN, AND THE BRITISH WOULD TEMPORARILY RETAIN THE CITIES OF HAIFA, ACRE, SAFED AND TIBERIAS.

THE JEWISH AND ARAB STATES WOULD BE ESTABLISHED BY TREATIES WITH GREAT BRITAIN WHICH WOULD INCLUDE GUARANTEES OF EACH OTHER'S RIGHTS, PROTECTION OF MINORITIES AND ASSURANCE OF BRITISH SUPPORT AND ASSISTANCE. THE ARAB STATE WOULD RECEIVE A GRANT OF £2,000,000 (ABOUT \$10,000,000) FROM BRITAIN, BESIDES FINANCIAL ASSISTANCE FROM THE JEWISH STATE TO COMPENSATE FOR CEDED TERRITORY.

PROTESTS EXPECTED

THE COMMISSION ACKNOWLEDGED THAT IT DID NOT EXPECT EITHER JEWS OR ARABS TO RECEIVE THIS PLAN AT FIRST WITHOUT PROTEST, AS IT GIVES NEITHER PARTY ALL IT DEMANDS, BUT EXPRESSED HOPE THAT IT WOULD EVENTUALLY BE ACCEPTED BECAUSE "IT OFFERS EACH WHAT IT WANTS MOST, NAMELY FREEDOM AND SECURITY."

THE ENTIRE 404-PAGE REPORT, ILLUSTRATED WITH NINE MAPS, WAS AIMED PRIMARILY AT DEMONSTRATING THIS VIEW.

THOUGH IT LAID RESPONSIBILITY FOR PALESTINE'S TROUBLES ON BOTH JEWS AND ARABS, THE COMMISSION DECLARED THE ARABS WERE IN ALMOST ALL CASES THE INSTIGATORS OF VIOLENCE. IT ALSO CRITICIZED THE BRITISH ADMINISTRATION IN PALESTINE VIGOROUSLY FOR EXCESSIVE LENIENCY TOWARD ARAB TERRORISM.

AT THE SAME TIME IT EXPRESSED UNDERSTANDING OF JEWISH AND ARAB ASPIRATIONS AND FEARS, PRAISED THE JEWISH DEVELOPMENT OF THE COUNTRY, AND POINTED OUT THAT BRITISH OFFICIALDOM WAS FACED WITH AN IMPOSSIBLE TASK. BOTH SIDES IN THE CONTROVERSY FEEL THAT GREAT BRITAIN IS BOUND BY WORLD WAR PROMISES TO GRANT THEIR DEMANDS, THE COMMISSION POINTED OUT, ACKNOWLEDGING THAT BRITAIN HAS GRAVE OBLIGATIONS TO JEWS AND ARABS FOR WAR-TIME AID.

ARABS BLAMED FOR STARTING DISORDERS

IN ITS STUDY OF THE 1936 GENERAL STRIKE, WHICH BROUGHT ABOUT THE ESTABLISHMENT OF THE COMMISSION, THE REPORT DIFFERED NOTABLY IN ONE IMPORTANT RESPECT FROM THE RECENT REPORT OF THE BRITISH GOVERNMENT TO THE LEAGUE MANDATES COMMISSION. WHILE THE GOVERNMENT REPORT BLAMED CHIEFLY THE JEWS FOR STARTING THE TROUBLE, THE PEEL COMMISSION DECLARED THE FIRST VIOLENCE WAS ON THE PART OF ARABS -- THE MURDER OF TWO JEWS BY ARAB BANDITS ON THE NIGHT OF APRIL 15, 1936.

THE VIOLENCE THAT MARKED THE COURSE OF THE STRIKE COULD NOT BE DESCRIBED MERELY AS "DISTURBANCES," THE REPORT SAID.

"IT WAS AN OPEN REBELLION OF THE PALESTINIAN ARABS, ASSISTED BY FELLOW-ARABS FROM OTHER COUNTRIES, AGAINST BRITISH MANDATORY RULE," THE COMMISSION DECLARED.

IT REPORTED THE OFFICIAL ESTIMATE OF THE TOLL OF THE STRIKE AS 80 JEWS KILLED AND 308 WOUNDED, 196 ARABS KILLED AND 804 WOUNDED, 16 POLICE KILLED AND 102 WOUNDED, AND 21 BRITISH SOLDIERS AND SAILORS KILLED AND 102 WOUNDED, A TOTAL OF 312 KILLED AND 1,316 WOUNDED. JEWISH CASUALTIES INCLUDED WOMEN AND CHILDREN, THE REPORT SAID. THERE WAS A CREDIBLE UNOFFICIAL ESTIMATE OF 1,000 ARABS KILLED WHILE FIGHTING, IT ADDED.

PROPERTY LOSS TO THE JEWS WAS ESTIMATED AT £250,000 (ABOUT \$1,250,000), COST TO THE GOVERNMENT IN MILITARY EXPENSES AND LOST TAXES AT £3,500,000 (ABOUT \$17,500,000) AND LOST TRADE AT "MILLIONS OF POUNDS."

THE "UGLIEST ELEMENT" IN THE PALESTINE PICTURE, THE REPORT SAID, IS ARAB TERRORISM, DIRECTED NOT ONLY AT JEWS, BUT AT ARABS SUSPECTED OF BEING LUKEWARM TO THE ARAB NATIONALIST CAUSE. SUSPICION WAS RECORDED THAT THE JEWS, LIKE THE ARABS, POSSESS ILLEGAL ARMS, "THOUGH IT IS ONLY ON RARE OCCASIONS THAT ANY JEW HAS RESORTED TO THE USE OF UNAUTHORIZED FIREARMS."

GRAND MUFTI HELD TO ACCOUNT

THE STRIKE WAS BLAMED TO A LARGE EXTENT ON THE ARAB HIGHER COMMITTEE, AND THE COMMISSION DECLARED THE GRAND MUFTI OF JERUSALEM WOULD HAVE TO TAKE A FULL SHARE OF RESPONSIBILITY. ON THE OTHER HAND, THE COMMISSION FOUND THAT JEWISH NATIONALISM "IS AS INTENSE AND SELF-CENTERED AS ARAB NATIONALISM."

DECRYING THE EASY-GOING POLICY OF THE PALESTINE GOVERNMENT TOWARD ARAB TERRORISTS, AND ITS "INEFFECTUAL" LAW ENFORCEMENT, THE COMMISSION PRAISED THE JEWS FOR THEIR MODERATE AND PEACEFUL CONDUCT UNDER PROVOCATION.

"IF THERE IS ONE GRIEVANCE WHICH THE JEWS HAVE UNDOUBTED RIGHT TO PREFER, IT IS THE ABSENCE OF SECURITY," THE REPORT SAID. "THEIR COMPLAINTS ON THIS HEAD WERE DIGNIFIED AND RESTRAINED."

IN 1936, THE REPORT NOTED, THERE WERE 260 REPORTED CASES OF MURDER, 67 CONVICTIONS AND NO DEATH SENTENCES. COLLECTIVE FINES TALLING OVER £60,000 (ABOUT \$300,000) WERE IMPOSED ON TOWNS AND VILLAGES FROM 1929 TO 1936, BUT ONLY £8,000 HAS BEEN COLLECTED, IT SAID.

WHATEVER ITS FAILINGS, THE LENIENT POLICY HAS AT LEAST DEMONSTRATED THAT EVEN EXTREME CONCILIATION WILL NOT SATISFY THE ARABS UNDER THE PRESENT REGIME, THE REPORT HELD.

"GOVERNMENT BY ARITHMETIC"

EQUALLY A FAILURE, IT ADDED, WAS THE GOVERNMENT'S EFFORT AT STRICT IMPARTIALITY.

"THE GOVERNMENT OF PALESTINE MIGHT ALMOST BE DESCRIBED AS GOVERNMENT BY ARITHMETIC," THE REPORT SAID. "AND THE WORST OF IT IS THAT THE MORE STRICTLY AND WIDELY IT OPERATES, THE MORE IT NOURISHES THE SPIRIT OF ANTAGONISM BETWEEN THE RACES."

THE BASIC CAUSE OF EVERY DISTURBANCE IN PALESTINE, THE COMMISSION HELD, HAS BEEN ARAB FEAR OF EVENTUAL JEWISH DOMINATION, HEIGHTENED BY THE SPEED WITH WHICH THE JEWS HAVE BUILT UP THEIR NATIONAL HOME.

NAZI, POLISH ANTI-SEMITISM CITED

THE ANTI-SEMITIC POLICIES OF GERMANY AND POLAND, BY INCREASING THE PRESSURE FOR JEWISH IMMIGRATION, HAVE STILL FURTHER INTENSIFIED ARAB FEARS, THE COMMISSION ADDED. THE COMMISSION DECLARED IT COULD NOT "FORGET WHAT THE JEWS IN PALESTINE NEVER FORGET -- THE SUFFERINGS OF THE JEWS IN EUROPE."

THE REPORT DISMISSED AS OF SLIGHT EFFECT THE ITALIAN PROPAGANDA AMONG ARABS AGAINST BRITISH IMPERIALISM DURING THE ETHIOPIAN WAR, WHEN SANCTIONS WERE IMPOSED ON ITALY.

THE WEAKNESSES OF THE PRESENT REGIME ARE TO BE FOUND IN THE TERMS OF THE MANDATE, THE BALFOUR DECLARATION ESTABLISHING THE JEWISH NATIONAL HOME, AND BRITAIN'S PROMISES TO THE ARABS, THE COMMISSION HELD. THESE CONFLICTING OBLIGATIONS OF BRITAIN CAN BE RECONCILED ONLY BY CHANGING THE FORM OF GOVERNMENT, IT SAID.

THE JEWISH AND ARAB COMMUNITIES IN PALESTINE ARE INCREASINGLY DISSIMILAR, THE REPORT CONTINUED, WHILE THE JEWISH AGENCY AND THE ARAB HIGHER COMMITTEE ARE IN EFFECT PARALLEL GOVERNMENTS, RECEIVING GREATER ALLEGIANCE THAN THE PALESTINE ADMINISTRATION.

"NO LONGER AN EXPERIMENT."

THE JEWISH NATIONAL HOME, THE COMMISSION DECLARED, "IS NO LONGER AN EXPERIMENT."

"WITH EVERY YEAR THAT PASSES THE CONTRAST BETWEEN THIS INTENSELY DEMOCRATIC AND HIGHLY ORGANIZED MODERN COMMUNITY AND THE OLD-FASHIONED ARAB WORLD AROUND IT GROWS SHARPER, AND IN NOTHING, PERHAPS, MORE MARKEDLY THAN ON ITS CULTURAL SIDE," THE REPORT SAID.

THE PALESTINE ARABS, THE COMMISSION ADDED, ARE AT LEAST AS WELL ABLE TO GOVERN THEMSELVES AS THOSE OF INDEPENDENT ARAB NATIONS ESTABLISHED IN RECENT YEARS.

BRITAIN CANNOT HAND OVER 400,000 JEWS TO ARAB RULE OR A MILLION ARABS TO BE GOVERNED BY THE JEWS, IT HELD. THEREFORE IT REJECTED THE MAXIMUM CLAIMS OF BOTH SIDES. IT ALSO ANALYZED AND TURNED DOWN ALTERNATE PLANS FOR CROWN COLONY GOVERNMENT AND FOR DIVIDING THE COUNTRY INTO SEMI-AUTONOMOUS JEWISH AND ARAB "CANTONS" WITH A CENTRAL FEDERAL GOVERNMENT.

"PARTITION SEEMS TO OFFER AT LEAST A CHANCE OF ULTIMATE PEACE," THE COMMISSION SAID. "WE CAN SEE NONE IN ANY OTHER PLAN."

ALTERNATE RECOMMENDATIONS

IT NEVERTHELESS OUTLINED A SERIES OF RECOMMENDATIONS TO BE ADOPTED SHOULD PARTITION BE REJECTED AND THE PRESENT MANDATE SYSTEM CONTINUED.

IN EVENT OF ANY FUTURE OUTBREAK, MARTIAL LAW SHOULD BE DECLARED WITHOUT HESITATION, THE REPORT SAID, AND DISARMAMENT, FIRST OF THE ARABS AND THEN OF THE JEWS, SHOULD BE ENFORCED. STRICTER PRESS CENSORSHIP WAS PRESCRIBED.

IMMIGRATION OF JEWS SHOULD BE RESTRICTED TO NOT MORE THAN 12,000 A YEAR FOR THE NEXT FIVE YEARS, THIS FIGURE TO BE MODIFIED TO CONFORM WITH THE ECONOMIC ABSORPTIVITY OF THE COUNTRY, THE COMMISSION SAID, AND THE BRITISH HIGH COMMISSIONER SHOULD BE GIVEN VETO POWER OVER JEWISH LAND PURCHASES.

CALLED "MERE PALLIATIVES."

BUT THESE AND OTHER SUGGESTED MEASURES THAT MIGHT BE TAKEN UNDER THE MANDATE WOULD BE MERE PALLIATIVES, THE COMMISSION SAID, AND WOULD NOT REMOVE ARAB AND JEWISH GRIEVANCES OR PREVENT THEIR RECURRENCE.

THE PARTITION SYSTEM, ON THE OTHER HAND, WOULD BE PRACTICAL AND JUST, IT HELD, AND WOULD BE AN HONORABLE SETTLEMENT IN ACCORDANCE WITH BRITISH OBLIGATIONS.

JEWISH STATE'S BOUNDARIES

THE BOUNDARY LINE OF THE JEWISH STATE RECOMMENDED BY THE COMMISSION WOULD FOLLOW THE EXISTING NORTHERN BOUNDARY OF PALESTINE AND THE EASTERN PALESTINE BORDER DOWN THE JORDAN TO LAKE TIBERIAS.

IT WOULD CROSS THE LAKE AND CONTINUE DOWN THE RIVER TO A LITTLE NORTH OF THE ARAB TOWN OF BEISAN, WHERE IT WOULD TURN WEST TO A POINT NEAR MEGIDDO AND THENCE SOUTH ALONG THE EASTERN EDGE OF THE MARITIME PLAIN, CONTINUING SOUTH OF THE PROPOSED JERUSALEM-JAFFA CORRIDOR TO ABOUT 10 MILES NORTH OF REHOVOT, AND THENCE EAST TO THE SEA.

THE ARAB STATE WOULD TAKE IN THE REST OF THE COUNTRY, EXCEPT THE CORRIDOR, WITH OUTLETS TO THE SEA AT GAZA AND JAFFA, AND WOULD ALSO HAVE ACCESS TO THE PORT OF HAIFA.

EXISTENCE OF MINORITY POPULATIONS OF JEWS IN THE ARAB TERRITORY AND ARABS IN THE JEWISH REGION "CONSTITUTES THE MOST SERIOUS HINDRANCE TO THE SMOOTH AND SUCCESSFUL OPERATION OF PARTITION," THE COMMISSION SAID.

THERE ARE 225,000 ARABS IN THE PROPOSED JEWISH STATE, AND 1,250 JEWS IN THE ARAB STATE, IT REPORTED, BESIDES THE POPULATIONS OF ACRE, TIBERIAS, SAFED AND HAIFA. THE JEWISH POPULATION OF JERUSALEM AND HAIFA IS 125,000, AS AGAINST 85,000 ARABS, IT SAID.

AS A "CLEAN AND FINAL" SETTLEMENT, TO AVOID FUTURE FRICTION, THE COMMISSION RECOMMENDED EXCHANGE OF THE MINORITY POPULATIONS, VOLUNTARILY AS FAR AS POSSIBLE, BUT BY COMPULSION IF NECESSARY IN THE LAST ANALYSIS.

JEWS ASKED TO AID ARABS FINANCIALLY

THE COMMISSION RECOMMENDED FINANCIAL AID FROM THE JEWISH STATE TO THE ARAB STATE ON THE GROUND THAT THE JEWS WOULD BE RELIEVED OF THEIR PRESENT HEAVIER PER CAPITA SHARE IN THE COST OF GOVERNING THE WHOLE COUNTRY, AND THAT THE AREA OF THE JEWISH STATE WOULD BE GREATER THAN THE TOTAL LAND AREA NOW OWNED BY THE JEWS. THE £2,000,000 GRANT TO THE ARABS FROM THE BRITISH TREASURY HAS A PRECEDENT IN EARLIER GRANTS TO TRANSJORDAN, AND WOULD BE A GOOD INVESTMENT FOR PEACE, THE REPORT SAID.

THE NEW SET-UP COULD NOT BE INTRODUCED ALL AT ONCE, THE COMMISSION POINTED OUT. IT RECOMMENDED THAT DURING THE TRANSITION PERIOD ALL JEWISH IMMIGRATION TO THE PROPOSED ARAB AREA AND LAND PURCHASES BY EITHER PEOPLE IN THE PROPOSED TERRITORY OF THE OTHER BE BARRED. IT ESTIMATED THAT SETTLEMENT OF THE PLAIN-LANDS OF THE JEWISH AREA WOULD BE COMPLETED IN TWO YEARS.

TEXT OF BRITISH CABINET'S STATEMENT OF POLICYCABINET APPROVES DIVISION; LIMITS "INTERIM" JEWISH ENTRY TO 8,000

LONDON, JULY 7. (JTA) -- THE FOLLOWING IS THE TEXT OF THE BRITISH GOVERNMENT'S STATEMENT OF POLICY ON THE PARTITIONING OF PALESTINE, ISSUED TONIGHT:

1. HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM, BY DIRECTION OF HIS MAJESTY, HAS CONSIDERED THE UNANIMOUS REPORT OF THE ROYAL COMMISSION ON PALESTINE.

THEY FIND THEMSELVES IN GENERAL AGREEMENT WITH THE ARGUMENTS AND CONCLUSIONS OF THE COMMISSION.

2. AS HAS BEEN FULLY RECOGNIZED BY THE COMMISSIONERS IN THEIR HISTORICAL SURVEY, HIS MAJESTY'S GOVERNMENT AND THEIR PREDECESSORS, SINCE THE OBLIGATIONS OF THE MANDATE WERE ACCEPTED, HAVE TAKEN THE VIEW WHICH THE TENOR OF THE MANDATE ITSELF IMPLIES, THAT THEIR OBLIGATIONS TOWARD THE ARABS AND TOWARD THE JEWS RESPECTIVELY WERE NOT INCOMPATIBLE, ON THE ASSUMPTION THAT IN THE PROCESS OF TIME THE TWO RACES WOULD SO ADJUST THEIR NATIONAL ASPIRATIONS AS TO RENDER POSSIBLE THE ESTABLISHMENT OF A SINGLE COMMONWEALTH UNDER A UNITARY GOVERNMENT.

ENCOURAGED COOPERATION

3. DESPITE MANY DISCOURAGING EXPERIENCES IN THE PAST SEVENTEEN YEARS, HIS MAJESTY'S GOVERNMENT HAS BASED ITS POLICY ON THIS EXPECTATION AND HAS TAKEN EVERY OPPORTUNITY OF ENCOURAGING COOPERATION BETWEEN THE ARABS AND THE JEWS. IN THE LIGHT OF EXPERIENCE AND OF THE ARGUMENTS ADDUCED BY THE COMMISSION THEY ARE DRIVEN TO THE CONCLUSION THAT THERE IS AN IRRECONCILABLE CONFLICT BETWEEN THE ASPIRATIONS OF THE ARABS AND THE JEWS, THAT THESE ASPIRATIONS CANNOT BE SATISFIED UNDER THE TERMS OF THE PRESENT MANDATE AND THAT THE SCHEME OF PARTITION RECOMMENDED BY THE COMMISSION REPRESENTS THE BEST AND MOST HOPEFUL SOLUTION OF THE DEADLOCK. HIS MAJESTY'S GOVERNMENT PROPOSE TO ADVISE HIS MAJESTY ACCORDINGLY.

4. HIS MAJESTY'S GOVERNMENT THEREFORE PROPOSE TO TAKE SUCH STEPS AS NECESSARY AND APPROPRIATE, HAVING REGARD TO EXISTING TREATY OBLIGATIONS UNDER THE COVENANT OF THE LEAGUE AND OTHER INTERNATIONAL INSTRUMENTS TO OBTAIN FREEDOM TO GIVE EFFECT TO THE SCHEME OF PARTITION, FOR WHICH WE EARNESTLY HOPE IT WILL BE POSSIBLE TO SECURE AN EFFECTIVE MEASURE OF CONSENT ON THE PART OF THE COMMUNITIES CONCERNED.

THREATENS MARTIAL LAW

5. PENDING ESTABLISHMENT OF SUCH A SCHEME, HIS MAJESTY'S GOVERNMENT HAVE NO INTENTION OF SURRENDERING RESPONSIBILITY FOR PEACE, ORDER AND GOOD GOVERNMENT OVER PALESTINE. THEY ARE IN GENERAL AGREEMENT WITH THE COMMISSION'S RECOMMENDATIONS IN THE MATTER OF PUBLIC SECURITY. IF DISORDERS AGAIN BREAK OUT SERIOUS ENOUGH TO REQUIRE MILITARY INTERVENTION, THE HIGH COMMISSIONER WILL DELEGATE HIS POWERS WITH RESPECT TO THE WHOLE COUNTRY, UNDER PALESTINE'S ORDERS IN COUNCIL, TO THE OFFICER COMMANDING THE MILITARY FORCES.

6. FOR THE IMMEDIATE FUTURE, WHILE THE FORM OF THE SCHEME OF PARTITION IS BEING WORKED OUT, HIS MAJESTY'S GOVERNMENT PROPOSE AS AN INTERIM MEASURE THAT STEPS BE TAKEN TO PROHIBIT ANY LAND TRANSACTIONS WHICH MIGHT PREJUDICE SUCH A SCHEME.

JEWISH IMMIGRATION LIMITED FOR 8 MONTHS

FURTHER, SINCE THE PERIOD OF THE CURRENT LABOR SCHEDULE EXPIRES AT THE END OF JULY AND SOME PROVISIONS MUST BE MADE FOR THE ENSUING PERIOD, WE PROPOSE A TOTAL JEWISH IMMIGRATION IN ALL CATEGORIES OF EIGHT THOUSAND PERSONS BE PERMITTED FOR THE EIGHT MONTHS FROM AUGUST, 1937, TO MARCH, 1938, PROVIDED THE ECONOMIC ABSORPTIVE CAPACITY OF THE COUNTRY IS NOT EXCEEDED.

7. IN SUPPORTING PARTITION, HIS MAJESTY'S GOVERNMENT IS MUCH IMPRESSED BY THE ADVANTAGES IT OFFERS THE ARABS AND JEWS.

THE ARABS WILL OBTAIN NATIONAL INDEPENDENCE AND ARE DELIVERED FROM ALL FEAR OF JEWISH DOMINATION AND FROM ANXIETY LEST THE HOLY PLACES COME UNDER JEWISH CONTROL. THE ARAB STATE WILL RECEIVE FINANCIAL ASSISTANCE FROM HIS MAJESTY'S GOVERNMENT AND FROM THE JEWISH STATE.

ZIONIST "PRIMARY OBJECTIVE" SEEN ATTAINED

PARTITION WILL ALSO SECURE ESTABLISHMENT OF THE JEWISH NATIONAL HOME AND RELIEVE IT OF THE POSSIBILITY OF BEING SUBJECTED IN THE FUTURE TO ARAB RULE. IT WOULD CONVERT THE JEWISH NATIONAL HOME INTO A JEWISH STATE WITH FULL CONTROL OVER IMMIGRATION. ITS NATIONALS WOULD ACQUIRE A STATUS SIMILAR TO THE NATIONALS OF OTHER COUNTRIES. THE JEWS AT LAST WOULD CEASE TO LIVE A "MINORITY LIFE" AND THE PRIMARY OBJECTIVE OF ZIONISM WOULD THUS BE ATTAINED.

UNDER THE PROPOSED TREATIES THE RIGHTS OF MINORITIES IN BOTH STATES WOULD BE STRICTLY GUARANTEED. ABOVE ALL, FEAR AND SUSPICION WOULD BE REPLACED BY A SENSE OF CONFIDENCE AND SECURITY AND BOTH PEOPLES WOULD ATTAIN "THE INESTIMABLE BOON OF PEACE."

JEWISH AGENCY CHALLENGES COMMISSION'S ASSUMPTION MANDATE IS "UNWORKABLE"

LONDON, JULY 7. (JTA) -- THE JEWISH AGENCY FOR PALESTINE, RECOGNIZED BY THE LEAGUE OF NATIONS AS SPEAKING FOR THE JEWS OF THE WORLD ON PALESTINE MATTERS, TONIGHT CHALLENGED THE UNDERLYING ASSUMPTION OF THE ROYAL COMMISSION REPORT THAT THE MANDATE IS INHERENTLY UNWORKABLE.

THE PALLIATIVES SUGGESTED BY THE ROYAL COMMISSION, NO LESS THAN THE SCHEME TO PARTITION THE COUNTRY INTO ARAB AND JEWISH STATES AND A BRITISH-MANDATED AREA, ARE INCOMPATIBLE WITH THE MANDATE, THE JEWISH AGENCY DECLARED IN A STATEMENT.

"WE VIEW WITH AMAZEMENT THE WAY IN WHICH THE GOVERNMENT'S STATEMENT SWEEPS AWAY THE PRINCIPLE OF ABSORPTIVE CAPACITY AND FIXES A POLITICAL MAXIMUM IN VIOLATION OF OUR RIGHTS," THE STATEMENT SAID. "WE ENTER THE STRONGEST PROTEST AGAINST SUCH A DISTORTED APPLICATION OF THE REPORT."

MEANWHILE, THE STATEMENT APPEALED TO THE JEWISH PEOPLE TO "REMAIN CALM AND TRUST IN THE JUSTICE OF OUR CAUSE AND UNITE ALL OUR FORCES FOR THE DEFENCE OF THE INALIENABLE RIGHT TO OUR NATIONAL FUTURE IN ERETZ ISRAEL."

ORMSBY-GORE SCOUTS FEARS OF DISORDERS

WILLIAM G.A. ORMSBY-GORE, COLONIAL SECRETARY, TOLD THE HOUSE OF COMMONS TODAY THERE WAS NO IMMEDIATE CAUSE TO FEAR FURTHER DISORDERS IN PALESTINE AND NO SPECIAL EVIDENCE OF INCREASED ANTI-BRITISH PROPAGANDA.

THE ARRIVAL OF THE CRUISER REPULSE AT HAIFA HARBOR TODAY WAS PURELY A PRECAUTIONARY MEASURE, THE COLONIAL SECRETARY SAID AS THE GOVERNMENT RELEASED THE ROYAL COMMISSION REPORT AND CABINET STATEMENT ON PALESTINE.

THE REPORT AND STATEMENT WERE BEING ISSUED AS A WHITE PAPER, PRIME MINISTER NEVILLE CHAMBERLAIN STATED IN COMMONS. THE HOUSE DEBATE ON THE ROYAL COMMISSION REPORT WILL TAKE PLACE JULY 30 -- THE SAME DAY THE LEAGUE OF NATIONS MANDATES COMMISSION MEETS IN EXTRAORDINARY SESSION IN GENEVA TO CONSIDER THE MANDATORY'S REPORT.

REPLYING TO A QUESTION BY COL. JOSIAH WEDGWOOD, LABORITE, MR. ORMSBY-GORE SAID THAT THE PALESTINE GOVERNMENT'S REPORT TO THE MANDATES COMMISSION FOR 1936 WAS NOT IN THE NATURE OF AN APOLOGY OR DEFENCE OF HIGH COMMISSIONER SIR ARTHUR GRENFELL WAUCHOPE'S CONDUCT.

JAMES ROTHSCHILD, LIBERAL, ASKED, "WERE THE FACTS STATED IN THIS REPORT CERTIFIED AS CORRECT BY THE COLONIAL OFFICE, OR WERE THEY BELIEVED TO BE CORRECT?" TO WHICH THE COLONIAL SECRETARY REPLIED THAT THEY WERE "BELIEVED TO BE CORRECT."

TENSE PALESTINE HEARS REPORT ON RADIO; PRESS WARNED AGAINST HOT COMMENT

JERUSALEM, JULY 7. (JTA) -- THE PALESTINE GOVERNMENT TONIGHT TOOK STERN MEASURES TO PREVENT VIOLENCE AS PALESTINIANS FLOCKED TO LOUDSPEAKERS TO HEAR THE ANNOUNCEMENT OF THE ROYAL COMMISSION'S REPORT RECOMMENDING TRIPARTITION OF THE COUNTRY.

HOLDING 18,000 TROOPS AND POLICE READY TO QUELL DISORDERS, THE GOVERNMENT, IN AN ORDER ISSUED BY CHIEF SECRETARY WILLIAM D. BATTERSHILL, WARNED NEWSPAPER EDITORS IT WOULD NOT HESITATE TO SUPPRESS ANY PAPER PRINTING PROVOCATIVE HEADLINES OR COMMENTS ON THE COMMISSION.

WITH TENSION AT FEVER PITCH, LARGE CROWDS ASSEMBLED IN STREETS AND CAFES TO HEAR THE BROADCAST OF THE SUMMARY OF THE FINDINGS AND BRITISH CABINET STATEMENT AT 8 P.M. PERFORMANCES IN THEATRES WERE INTERRUPTED TO PERMIT AUDIENCES TO HEAR THE BROADCAST BY HIGH COMMISSIONER SIR ARTHUR GRENFELL WAUCHOPE.

ARAB NOTABLES BACK PARTITION, ASK MUFTI FOR FINANCIAL REPORT

ARAB NOTABLES MET IN HAIFA AND DECIDED TO SUPPORT RAGHEB BEY NASHASHIBI, LEADER OF THE ARAB FORCES FAVORING PARTITION, AND TO DEMAND A FINANCIAL REPORT OF GRAND MUFTI HAJ AMIN EL HUSSEINI, WHO HEADS THE ANTI-PARTITION FACTION.

THE MUFTI, MEANWHILE, WAS REPORTED BY ARAB SOURCES TO HAVE MET FAWZI BEY EL KAKAJI, ARAB TERRORIST LEADER, DURING HIS RECENT VISIT TO SYRIA.

ALTHOUGH THE BRITISH GOVERNMENT HAS THREATENED MARTIAL LAW IF DISORDERS BREAK OUT, ARAB AGITATORS WERE ACTIVE IN JAFFA AND SURROUNDING VILLAGES AND JEWS WERE WARNED NOT TO VISIT THE PREDOMINANTLY ARAB CITY.

IN THE PAST TWO DAYS THREE KVUTZOTH (JEWISH COOPERATIVE COLONIES) HAVE TAKEN POSSESSION OF LAND AT STRATEGICALLY IMPORTANT POINTS. THESE COLONIES ARE OLEI GERMANIA, NORTH OF EIN CHAROD; CHALUTZET AMERICA (PIONEERS OF AMERICA), NEAR MISHMAR HAE-MEK; THE GENERAL ZIONIST YOUTH, BETWEEN BEISAN AND THE JORDAN RIVER.

 *
 * STRIKING EXCERPTS FROM COMMISSION'S REPORT *
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LONDON; JULY 7. (JTA) -- STRIKING QUOTATIONS FROM THE REPORT OF THE ROYAL COMMISSION ON PALESTINE:

TWELVE YEARS AGO THE (JEWISH) NATIONAL HOME WAS AN EXPERIMENT, TODAY IT IS A "GOING CONCERN."

* * *

THE CHAMPIONS OF ZIONISM HAVE ALWAYS HELD -- AND ON THE WHOLE THEY ARE NOW PROVED RIGHT -- THAT A JEW RELEASED FROM AN ANTI-JEWISH ENVIRONMENT AND "RESTORED" TO PALESTINE WOULD NOT ONLY FEEL FREE AS HE HAD NEVER FELT BEFORE BUT WOULD ALSO ACQUIRE A NEW SELF-CONFIDENCE, A NEW ZEST IN LIVING FROM HIS CONSCIOUSNESS THAT HE WAS ENGAGED IN A GREAT CONSTRUCTIVE TASK.

* * *

IT SHOULD BE FRANKLY RECOGNIZED, THEN, THAT THE IDEAL OF THE NATIONAL HOME IS A PURELY JEWISH IDEAL. THE ARABS HARDLY COME INTO THE PICTURE EXCEPT WHEN THEY FORCE AN ENTRY THROUGH VIOLENCE AND BLOODSHED.

* * *

IMMIGRATION MEANS ESCAPE. IMMIGRANTS SQUEEZE INTO PALESTINE, PREPARED TO ENDURE ANY HARDSHIPS WHICH MAY RESULT FROM OVERCROWDING, BECAUSE LIFE IN PALESTINE AT ITS WORST IS BETTER THAN THE LIFE THEY HAVE ELSEWHERE.

* * *

IT IS IMPOSSIBLE, WE BELIEVE, FOR ANY UNPREJUDICED OBSERVER TO SEE THE NATIONAL HOME AND NOT TO WISH IT WELL. IT HAS MEANT SO MUCH FOR THE RELIEF OF UNMERITED SUFFERING. IT DISPLAYS SO MUCH ENERGY AND ENTERPRISE AND DEVOTION TO A COMMON CAUSE.

* * *

AN IRREPRESSIBLE CONFLICT HAS ARISEN BETWEEN TWO NATIONAL COMMUNITIES WITHIN THE NARROW BOUNDS OF ONE SMALL COUNTRY. ABOUT 1,000,000 ARABS ARE IN STRIFE, OPEN OR LATENT, WITH SOME 400,000 JEWS. THERE IS NO COMMON GROUND BETWEEN THEM.

* * *

THE LESSON IS PLAIN, AND NOBODY, WE THINK, WILL VENTURE TO ASSERT THAT THE EXISTING SYSTEM OFFERS ANY REAL PROSPECT OF RECONCILIATION BETWEEN THE ARABS AND THE JEWS.

* * *

....THERE IS LITTLE MORAL VALUE IN MAINTAINING THE POLITICAL UNITY OF PALESTINE AT THE COST OF PERPETUAL HATRED, STRIFE AND BLOODSHED, AND...THERE IS LITTLE MORAL INJURY IN DRAWING A POLITICAL LINE THROUGH PALESTINE IF PEACE AND GOODWILL BETWEEN THE PEOPLES ON EITHER SIDE OF IT CAN THEREBY IN THE LONG RUN BE ATTAINED.

* * *

"HALF A LOAF IS BETTER THAN NO BREAD"....

* * *

NOR IS IT ONLY THE BRITISH PEOPLE, NOR ONLY THE NATIONS WHICH CONFERRED THE MANDATE OR APPROVED IT, WHO ARE TROUBLED BY WHAT HAS HAPPENED AND IS HAPPENING IN PALESTINE. NUMBERLESS MEN AND WOMEN ALL OVER THE WORLD WOULD FEEL A SENSE OF DEEP RELIEF IF SOMEHOW AN END COULD BE PUT TO STRIFE AND BLOODSHED IN A THrice HALLOWED LAND.

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 * SHORT SUMMARY OF MAIN RECOMMENDATIONS *
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 * (AS PREPARED BY THE ROYAL COMMISSION) *
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I.- RECOMMENDATIONS UNDER THE MANDATE

ADMINISTRATION

1-

THERE SHOULD BE NO HESITATION IN DISPENSING WITH THE SERVICES OF PALESTINIAN OFFICERS WHOSE LOYALTY OR IMPARTIALITY IS UNCERTAIN.

THERE SHOULD BE MORE DECENTRALISATION.

A BRITISH SENIOR GOVERNMENT ADVOCATE SHOULD BE APPOINTED.

THE JAFFA-HAIFA ROAD SHOULD BE COMPLETED AS SPEEDILY AS POSSIBLE.

PUBLIC SECURITY

SHOULD DISORDERS BREAK OUT AGAIN OF SUCH A NATURE AS TO REQUIRE THE INTERVENTION OF THE MILITARY, THERE SHOULD BE NO HESITATION IN ENFORCING MARTIAL LAW. IN SUCH AN EVENT THE DISARMAMENT FIRST OF THE ARABS AND THEN OF THE JEWS SHOULD BE ENFORCED.

IN MIXED AREAS BRITISH DISTRICT OFFICERS SHOULD BE APPOINTED.

CENTRAL AND LOCAL POLICE RESERVES ARE NECESSARY. A LARGE MOBILE MOUNTED FORCE IS ALSO ESSENTIAL.

A MORE RIGOROUS PRESS ORDINANCE SHOULD BE ADOPTED.

FINANCIAL AND FISCAL QUESTIONS

NEGOTIATIONS SHOULD BE OPENED TO AMEND THE PROVISIONS OF ARTICLE 18 OF THE MANDATE AND PUT THE TRADE OF PALESTINE ON A FAIRER BASIS.

LAND

THE HIGH COMMISSIONER SHOULD BE EMPOWERED TO PROHIBIT THE TRANSFER OF LAND IN ANY STATED AREA TO JEWS. (THE AMENDMENT OF THE MANDATE MAY FIRST BE NECESSARY.)

UNTIL SURVEY AND SETTLEMENT ARE COMPLETE THE SALE OF ISOLATED AND COMPARATIVELY SMALL PLOTS OF LAND TO JEWS SHOULD BE PROHIBITED. THE COMMISSION FAVOUR A PROPOSAL FOR THE CREATION OF SPECIAL PUBLIC UTILITY COMPANIES TO UNDERTAKE DEVELOPMENT SCHEMES.

AN EXPERT COMMITTEE SHOULD BE APPOINTED TO DRAW UP A LAND CODE.

SETTLEMENT SHOULD BE EXPEDITED.

IN THE EVENT OF FURTHER SALES OF LAND BY ARABS TO JEWS, THE RIGHTS OF ANY ARAB TENANTS OR CULTIVATORS MUST BE PRESERVED. ALIENATION OF LAND SHOULD ONLY BE ALLOWED WHERE IT IS POSSIBLE TO REPLACE EXTENSIVE BY INTENSIVE CULTIVATION, I.E., IN THE PLAINS, AND NOT AT PRESENT IN THE HILLS.

LEGISLATION VESTING SURFACE WATER IN THE HIGH COMMISSIONER IS ESSENTIAL. POSSIBILITIES OF IRRIGATION SHOULD BE EXPLORED. THE SCHEME FOR THE DEVELOPMENT OF THE HULEH DISTRICT IS COMMENDED.

MEASURES OF AFFORESTATION ARE RECOMMENDED.

IMMIGRATION

THE VOLUME OF JEWISH IMMIGRATION SHOULD CONTINUE TO BE RESTRICTED IN THE FIRST INSTANCE BY THE ECONOMIC ABSORPTIVE CAPACITY OF PALESTINE, BUT IT SHOULD BE SUBJECT TO A "POLITICAL HIGH LEVEL," COVERING JEWISH IMMIGRATION OF ALL CATEGORIES. THIS HIGH LEVEL SHOULD BE FIXED FOR THE NEXT FIVE YEARS AT 12,000 PER ANNUM. AMENDMENTS IN THE CATEGORIES UNDER THE IMMIGRATION ORDINANCE AND IN THE DEFINITION OF "DEPENDENCY" ARE PROPOSED.

EDUCATION

THE ADMINISTRATION SHOULD REGARD THE CLAIMS ON THE REVENUE OF ARAB EDUCATION AS SECOND IN IMPORTANCE ONLY TO THOSE OF PUBLIC SECURITY. THE PRESENT PROPORTION BETWEEN THE GRANT TO JEWISH EDUCATION AND THE AMOUNT SPENT ON THE ARABS SHOULD NOT BE ALTERED: AN INCREASE IN THE GRANT TO THE JEWS SHOULD RESULT FROM AN INCREASE IN THE TOTAL EXPENDITURE ON EDUCATION.

IN ANY FURTHER DISCUSSION OF THE PROJECT OF A BRITISH UNIVERSITY IN THE NEAR EAST, THE POSSIBILITY SHOULD BE CONSIDERED OF LOCATING IT IN THE NEIGHBORHOOD OF JERUSALEM OR HAIFA.

LOCAL GOVERNMENT

AN ATTEMPT SHOULD BE MADE TO STRENGTHEN THOSE FEW LOCAL COUNCILS WHICH STILL EXIST IN ARAB RURAL AREAS, BUT NOT TO REVIVIFY COUNCILS WHICH HAVE BROKEN DOWN, OR TO CREATE NEW ONES UNLESS THERE IS A GENUINE DEMAND FOR THEM. THE MORE IMPORTANT LOCAL COUNCILS AND ALL THE MUNICIPALITIES SHOULD BE RECLASSIFIED BY MEANS OF A NEW ORDINANCE, INTO GROUPS ACCORDING TO THEIR RESPECTIVE SIZE AND IMPORTANCE.

THE SERVICES OF AN EXPERT ON LOCAL GOVERNMENTS SHOULD BE OBTAINED TO ASSIST IN DRAFTING THE NEW ORDINANCE AND IMPROVING THE RELATIONS BETWEEN GOVERNMENT AND THE MUNICIPALITIES.

THE NEED OF TEL AVIV FOR A SUBSTANTIAL LOAN SHOULD BE PROMPTLY AND SYMPATHETICALLY RECONSIDERED.

SELF-GOVERNING INSTITUTIONS

THE COMMISSION DO NOT RECOMMEND THAT ANY ATTEMPT BE MADE TO REVIVE THE PROPOSAL OF A LEGISLATIVE COUNCIL, BUT THEY WOULD WELCOME AN ENLARGEMENT OF THE ADVISORY COUNCIL BY THE ADDITION OF UNOFFICIAL MEMBERS.

CONCLUSION

THE ABOVE RECOMMENDATIONS FOR DEALING WITH ARAB AND JEWISH GRIEVANCES UNDER THE MANDATE WILL NOT "REMOVE" THEM OR "PREVENT THEIR RECURRENCE." THEY ARE THE BEST PALLIATIVES THE COMMISSION CAN DEVISE, BUT THEY WILL NOT SOLVE THE PROBLEM.

II.-RECOMMENDATIONS FOR TERMINATION OF PRESENT MANDATE ON BASIS OF PARTITION

HAVING REACHED THE CONCLUSION THAT THERE IS NO POSSIBILITY OF SOLVING THE PALESTINE PROBLEM UNDER THE EXISTING MANDATE (OR EVEN UNDER A SCHEME OF CANTONISATION), THE COMMISSION RECOMMEND THE TERMINATION OF THE PRESENT MANDATE ON THE BASIS OF PARTITION AND PUT FORWARD A DEFINITE SCHEME WHICH THEY CONSIDER TO BE PRACTICABLE, HONOURABLE AND JUST. THE SCHEME IS AS FOLLOWS:-

THE MANDATE FOR PALESTINE SHOULD TERMINATE AND BE REPLACED BY A TREATY SYSTEM IN ACCORDANCE WITH THE PRECEDENT SET IN IRAQ AND SYRIA.

UNDER TREATIES TO BE NEGOTIATED BY THE MANDATORY WITH THE GOVERNMENT OF TRANSJORDAN AND REPRESENTATIVES OF THE ARABS OF PALESTINE ON THE ONE HAND AND WITH THE ZIONIST ORGANISATION ON THE OTHER IT WOULD BE DECLARED THAT TWO SOVEREIGN INDEPENDENT STATES WOULD SHORTLY BE ESTABLISHED - (1) AN ARAB STATE CONSISTING OF TRANSJORDAN UNITED WITH THAT PART OF PALESTINE ALLOTTED TO THE ARABS, (2) A JEWISH STATE CONSISTING OF THAT PART OF PALESTINE ALLOTTED TO THE JEWS. THE MANDATORY WOULD UNDERTAKE TO SUPPORT ANY REQUESTS FOR ADMISSION TO THE LEAGUE OF NATIONS MADE BY THE GOVERNMENTS OF THE ARAB AND JEWISH STATES. THE TREATIES WOULD INCLUDE STRICT GUARANTEES FOR THE PROTECTION OF MINORITIES. MILITARY CONVENTIONS WOULD BE ATTACHED TO THE TREATIES.

NEW MANDATE FOR CORRIDOR

A NEW MANDATE SHOULD BE INSTITUTED TO EXECUTE THE TRUST OF MAINTAINING THE SANCTITY OF JERUSALEM AND BETHLEHEM AND ENSURING FREE AND SAFE ACCESS TO THEM FOR ALL THE WORLD. AN ENCLAVE SHOULD BE DEMARCATED TO WHICH THIS MANDATE SHOULD APPLY, EXTENDING FROM A POINT NORTH OF JERUSALEM TO A POINT SOUTH OF BETHLEHEM, AND ACCESS TO THE SEA SHOULD BE PROVIDED BY A CORRIDOR EXTENDING FROM JERUSALEM TO JAFFA. THE POLICY OF THE BALFOUR DECLARATION WOULD NOT APPLY TO THE MANDATED AREA.

THE MANDATORY SHOULD ALSO BE ENTRUSTED WITH THE ADMINISTRATION OF NAZARETH AND WITH FULL POWERS TO SAFEGUARD THE SANCTITY OF THE WATERS AND SHORES OF LAKE TIBERIAS, AND SIMILARLY WITH THE PROTECTION OF RELIGIOUS ENDOWMENTS AND OF SUCH BUILDINGS, MONUMENTS AND PLACES IN THE ARAB AND JEWISH STATES AS ARE SACRED TO THE JEWS AND THE ARABS RESPECTIVELY.

BOUNDARIES

THE FRONTIER BETWEEN THE ARAB AND JEWISH STATES RECOMMENDED IS AS FOLLOWS. STARTING FROM RAS AN NAQURA, IT FOLLOWS THE EXISTING NORTHERN AND EASTERN FRONTIER OF PALESTINE TO LAKE TIBERIAS AND CROSSES THE LAKE TO THE OUTFLOW OF THE RIVER JORDAN,

WHENCE IT CROSSES THE CARMEL RIDGE IN THE NEIGHBOURHOOD OF THE MEGIDDO ROAD. IT THEN RUNS SOUTHWARDS DOWN THE EASTERN EDGE OF THE MARITIME PLAIN, CURVING WEST TO AVOID TULKARM, UNTIL IT REACHES THE JERUSALEM-JAFFA CORRIDOR NEAR LYDDA. SOUTH OF THE CORRIDOR IT CONTINUES DOWN THE EDGE OF THE PLAIN TO A POINT ABOUT TEN MILES SOUTH OF REHOVOT, WHENCE IT TURNS WEST TO THE SEA.

HAIFA, TIBERIAS, SAFED AND ACRE SHOULD BE KEPT FOR A PERIOD UNDER MANDATORY ADMINISTRATION. JAFFA SHOULD FORM AN OUTLYING PART OF THE ARAB STATE, NARROW BELTS OF LAND BEING ACQUIRED AND CLEARED ON THE NORTH AND SOUTH SIDES OF THE TOWN TO PROVIDE ACCESS FROM THE MANDATORY CORRIDOR TO THE SEA.

THE JEWISH TREATY SHOULD PROVIDE FOR FREE TRANSIT OF GOODS IN BOND BETWEEN THE ARAB STATE AND HAIFA.

IN VIEW OF POSSIBLE COMMERCIAL DEVELOPMENTS IN THE FUTURE, AN ENCLAVE ON THE NORTH-WEST COAST OF THE GULF OF AQABA SHOULD BE RETAINED UNDER MANDATORY ADMINISTRATION, AND THE ARAB TREATY SHOULD PROVIDE FOR FREE TRANSIT OF GOODS BETWEEN THE JEWISH STATE AND THIS ENCLAVE, AS ALSO TO THE EGYPTIAN FRONTIER AT RAFAH. THE TREATY SHOULD PROVIDE FOR SIMILAR FACILITIES FOR THE TRANSIT OF GOODS BETWEEN THE MANDATED AREA AND HAIFA, RAFAH AND THE GULF OF AQABA.

SUBVENTION TO ARAB STATE

THE JEWISH STATE SHOULD PAY A SUBVENTION TO THE ARAB STATE. A FINANCE COMMISSION SHOULD BE APPOINTED TO ADVISE AS TO ITS AMOUNT AND AS TO THE DIVISION OF THE PUBLIC DEBT OF PALESTINE AND OTHER FINANCIAL QUESTIONS.

IN VIEW OF THE BACKWARDNESS OF TRANSJORDAN, PARLIAMENT SHOULD BE ASKED TO MAKE A GRANT OF £2,000,000 TO THE ARAB STATE.

AS A PART OF THE PROPOSED TREATY SYSTEM, A COMMERCIAL CONVENTION SHOULD BE CONCLUDED WITH A VIEW TO ESTABLISHING A COMMON TARIFF OVER THE WIDEST POSSIBLE RANGE OF IMPORTED ARTICLES AND TO FACILITATING THE FREEST POSSIBLE INTERCHANGE OF GOODS BETWEEN THE THREE TERRITORIES.

THE RIGHTS OF ALL EXISTING CIVIL SERVANTS, INCLUDING RIGHTS TO PENSIONS OF GRATUITIES, SHOULD BE FULLY HONOURED.

INDUSTRIAL PACTS

AGREEMENTS ENTERED INTO BY THE GOVERNMENT OF PALESTINE FOR THE DEVELOPMENT AND SECURITY OF INDUSTRIES, E.G., THAT WITH THE PALESTINE POTASH COMPANY, SHOULD BE TAKEN OVER AND CARRIED OUT BY THE GOVERNMENTS OF THE ARAB AND JEWISH STATES. GUARANTEES TO THAT EFFECT SHOULD BE GIVEN IN THE TREATIES. THE SECURITY OF THE POWER STATION AT JISPEL MAJAMI SHOULD BE SIMILARLY GUARANTEED.

THE TREATIES SHOULD PROVIDE THAT IF ARAB OWNERS OF LAND IN THE JEWISH STATE OR JEWISH OWNERS IN THE ARAB STATE WISH TO SELL THEIR LAND, THE GOVERNMENT OF THE STATE CONCERNED SHOULD BE RESPONSIBLE FOR PURCHASE AT A PRICE TO BE FIXED, IF REQUIRED, BY THE MANDATORY GOVERNMENT.

AN IMMEDIATE ENQUIRY SHOULD BE UNDERTAKEN INTO THE POSSIBILITIES OF IRRIGATION AND DEVELOPMENT IN TRANSJORDAN, THE BEERSHEBA DISTRICT AND THE JORDAN VALLEY. IF IT BECOMES CLEAR THAT A SUBSTANTIAL AMOUNT OF LAND COULD BE MADE AVAILABLE FOR THE RE-

SETTLEMENT OF ARABS LIVING IN THE JEWISH AREA, STRENUOUS EFFORTS SHOULD BE MADE TO OBTAIN AN AGREEMENT, IN THE INTERESTS OF BOTH PARTIES CONCERNED, FOR AN EXCHANGE OF LAND AND POPULATION. TO FACILITATE SUCH AN AGREEMENT THE UNITED KINGDOM PARLIAMENT SHOULD BE ASKED TO MAKE A GRANT TO MEET THE COST OF THE NECESSARY DEVELOPMENT SCHEME.

FOR THE TRANSITION PERIOD WHICH WOULD INTERVENE BEFORE THE TREATIES CAME INTO FORCE, THE COMMISSION'S RECOMMENDATIONS ARE AS FOLLOWS. LAND PURCHASE BY JEWS WITHIN THE ARAB AREA OR BY ARABS WITHIN THE JEWISH AREA SHOULD BE PROHIBITED. NO JEWISH IMMIGRATION INTO THE ARAB AREA SHOULD BE PERMITTED. THE VOLUME OF JEWISH IMMIGRATION SHOULD BE DETERMINED BY THE ECONOMIC ABSORPTIVE CAPACITY OF PALESTINE LESS THE ARAB AREA. NEGOTIATIONS SHOULD BE OPENED WITHOUT DELAY TO SECURE AMENDMENT OF ARTICLE 18 OF THE MANDATE AND PLACE THE EXTERNAL TRADE OF PALESTINE ON A FAIRER BASIS. THE ADVISORY COUNCIL SHOULD, IF POSSIBLE, BE ENLARGED BY THE NOMINATION OF ARAB AND JEWISH REPRESENTATIVES. THE MUNICIPAL SYSTEM SHOULD BE RE-FORMED ON EXPERT ADVICE, AS RECOMMENDED. A VIGOROUS EFFORT SHOULD BE MADE TO INCREASE THE NUMBER OF ARAB SCHOOLS.

THE COMMISSION POINT OUT THAT, WHILE THESE PROPOSALS DO NOT OFFER EITHER THE ARABS OR THE JEWS ALL THEY WANT, THEY OFFER EACH PARTY WHAT IT WANTS MOST, NAMELY, FREEDOM AND SECURITY.

THE ADVANTAGES TO THE ARABS OF PALESTINE MAY BE SUMMARIZED AS FOLLOWS:-

- (1) THEY OBTAIN THEIR NATIONAL INDEPENDENCE AND CAN CO-OPERATE ON AN EQUAL FOOTING WITH THE ARABS OF THE NEIGHBOURING COUNTRIES IN THE CASE OF ARAB UNITY AND PROGRESS.
- (2) THEY ARE FINALLY DELIVERED FROM THE FEAR OF BEING "SWAMPED" BY THE JEWS AND FROM THE POSSIBILITY OF ULTIMATE SUBJECTION TO JEWISH RULE.
- (3) IN PARTICULAR, THE FINAL LIMITATION OF THE JEWISH NATIONAL HOME WITHIN A FIXED FRONTIER AND THE ENACTMENT OF A NEW MANDATE FOR THE PROTECTION OF THE HOLY PLACES, SOLEMNLY GUARANTEED BY THE LEAGUE OF NATIONS, REMOVES ALL ANXIETY LEST THE HOLY PLACES SHOULD EVER COME UNDER JEWISH CONTROL.
- (4) AS A SET-OFF TO THE LOSS OF TERRITORY THE ARABS REGARD AS THEIRS, THE ARAB STATE WILL RECEIVE A SUBVENTION FROM THE JEWISH STATE. IT WILL ALSO, IN VIEW OF THE BACKWARDNESS OF TRANSJORDAN, OBTAIN A GRANT OF £2,000,000 FROM THE BRITISH TREASURY; AND, IF AN AGREEMENT CAN BE REACHED AS TO THE EXCHANGE OF LAND AND POPULATION, A FURTHER GRANT WILL BE MADE FOR THE CONVERSION, AS FAR AS MAY PROVE POSSIBLE, OF UNCULTIVABLE LAND IN THE ARAB STATE INTO PRODUCTIVE LAND FROM WHICH THE CULTIVATORS AND THE STATE ALIKE WILL PROFIT.

THE ADVANTAGES TO THE JEWS ARE:-

- (1) PARTITION SECURES THE ESTABLISHMENT OF THE JEWISH NATIONAL HOME AND RELIEVES IT FROM THE POSSIBILITY OF ITS BEING SUBJECTED IN THE FUTURE TO ARAB RULE.
- (2) PARTITION ENABLES THE JEWS IN THE FULLEST SENSE TO CALL THEIR NATIONAL HOME THEIR OWN: FOR IT CONVERTS IT INTO A JEWISH STATE. ITS CITIZENS WILL BE ABLE TO ADMIT AS MANY JEWS INTO IT AS THEY THEMSELVES BELIEVE CAN BE ABSORBED. THEY WILL ATTAIN THE PRIMARY OBJECTIVE OF ZIONISM - A JEWISH NATION, PLANTED IN PALESTINE, GIVING ITS NATIONALS THE SAME STATUS IN THE WORLD AS OTHER NATIONS GIVE THEIRS. THEY WILL CEASE AT LAST TO LIVE A "MINORITY LIFE."

NOTE

ON PAGE 6 OF THIS ISSUE, THE LAST LINE OF THE THIRD PARAGRAPH SHOULD READ "TO ABOUT 10 MILES SOUTH (NOT NORTH) OF REHOVOT....."