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BRITAIN DROPS PARTITION, HAPS PEACE PARLEYS; AGENCY REJECTS WOODHEAD REPORT AS TALKS BASIS

LONDON, Nov. 9. (JTA) -- THE BRITISH GOVERNMENT REPORTED TO THE HOUSE OF COMMONS TO-DAY THAT IT REGARDED PARTITION OF PALESTINE AS "IMPRACTICABLE" AND PROPOSED TO REACH A SOLUTION OF THE HOLY LAND PROBLEM BY CONTINUING THE MANDATE AND SECKING AN ARAB-JEWISH UNDER-STANDING AS "THE SUREST FOUNDATION FOR PEACE AND PROGRESS IN PALESTINE."

ACCORDINGLY, THE GOVERNMENT ANNOUNCED IN A STATEMENT OF POLICY ACCOMPANYING THE REPORT OF THE WOODHEAD COMMISSION, IT WILL IMMEDIATELY INVITE REPRESENTATIVES OF THE PALESTINE ARABS AND NEIGHBORING STATES, ON THE ONE HAND, AND OF THE JEWISH AGENCY, ON THE OTHER, TO CONFER WITH THE GOVERNMENT IN LONDON AS SOON AS POSSIBLE REGARDING FUTURE POLICY, INCLUDING THE IMMIGRATION QUESTION.

STRESSING THE IMPORTANCE OF REACHING A DECISION AT AN EARLY DATE, THE GOVERNMENT SAID THAT IF THE LONDON DISCUSSIONS DID NOT PRODUCE AN AGREEMENT WITHIN A REASONABLE PERIOD OF TIME, BRITAIN WOULD MAKE ITS OWN DECISION IN THE LIGHT OF ITS EXAMINATION OF THE PROBLEM AND THE LONDON DISCUSSIONS.

THE JEWISH AGENCY FOR PALESTINE ANNOUNCED, MEANWHILE, THAT THE COMMISSION'S REPORT COULD NOT SERVE AS A BASIS FOR NEGOTIATIONS, EITHER BETWEEN JEWS AND ARABS OR BETWEEN THE AGENCY AND THE BRITISH GOVERNMENT. THE AGENCY DECLARED THAT IT COULD PARTICIPATE IN NEW DISCUSSIONS ONLY ON THE BASIS OF THE BALFOUR DECLARATION AND THE TERMS OF THE MANDATE. (COMPLETE STORY OF THE AGENCY'S STATEMENT WILL BE FOUND ON ANOTHER PAGE.)

IN ITS STATEMENT OF POLICY, THE GOVERNMENT RESERVED THE RIGHT TO "REFUSE TO RECEIVE THOSE LEADERS WHOM THEY REGARD AS RESPONSIBLE FOR THE CAMPAIGN OF ASSASSINATION AND VIOLENCE" IN PALESTINE. THIS WAS TAKEN TO REFER TO SUCH ARAB LEADERS AS HAJ AMIN EL HUSSEINI, EX-MUFTI OF JERUSALEM, WHO IS IN EXILE IN LEBANON, AND ON WHOSE SHOULDERS THE PALESTINE ROYAL COMMISSION OF 1937 PLACED A LARGE PORTION OF THE BLAME FOR THE PALESTINE DISORDERS.

THE GOVERNMENT PROMISED, IN CONCLUSION "TO KEEP CONSTANTLY IN MIND THE INTERNATIONAL CHARACTER OF THE MANDATE WITH WHICH THEY HAVE BEEN ENTRUSTED AND THEIR OBLIGATIONS IN THAT RESPECT." This was interpreted as assurance of consultation with the League of Nations, and also, if American rights under the Anglo-American Convention on Palestine are considered to be affected, with the United States Government -- A POINT WHICH WASHINGTON HAS STRESSED IN RECENT WEEKS.

DIFFICULTIES MAKE PARTITION "IMPRACTICABLE"

THE CONCLUSION REACHED BY THE GOVERNMENT AFTER STUDY OF THE PARTITION COMMISSION'S REPORT, THE STATEMENT SAID, IS "THAT THIS FURTHER EXAMINATION HAS SHOWN THAT THE POLITICAL,

ADMINISTRATIVE AND FINANCIAL DIFFICULTIES INVOLVED IN THE PROPOSAL TO CREATE INDEPENDENT ARAB AND JEWISH STATES INSIDE PALESTINE ARE SO GREAT THAT THIS SOLUTION OF THE PROBLEM IS IMPRACTICABLE." (TEXT OF THE POLICY STATEMENT WILL BE FOUND ON ANOTHER PAGE.)

THE 310-PAGE REPORT PRESENTED THREE ALTERNATIVE FORMS OF PARTITION, BUT THE FOUR MEMBERS COULD NOT AGREE UNANIMOUSLY ON ANY OF THE ALTERNATIVES, AND REPORTED THAT THEY WERE UNABLE TO RECOMMEND BOUNDARIES WITHIN THE TERMS OF REFERENCE WHICH WOULD GIVE A REASONABLE PROSPECT OF THE EVENTUAL ESTABLISHMENT OF SELF-SUPPORTING ARAB AND JEWISH STATES.

Not wishing to end its inquiry on a negative note, the commission suggested in conclusion a modified form of partition called "economic federalism," under which both states would be required, as condition of surrender of the mandate, to enter into a customs union with the territories remaining under mandate, the Mandatory Power to determine the fiscal policy after consulting both states.

"THE CUSTOMS REVENUE WOULD BE COLLECTED BY THE MANDATORY, AND THE NET SURPLUS AFTER MEETING CERTAIN COMMON CHARGES WOULD BE DISTRIBUTED BETWEEN THE THREE AREAS ACCORDING TO AN AGREED FORMULA, SUBJECT TO PERIODIC REVIEW," ACCORDING TO THE SUMMARY OF THE REPORT. "THE COMMISSION SUGGEST THAT INITIALLY EACH AREA'S SHARE SHOULD BE ONE-THIRD.

"TO ENABLE THE ARAB STATE TO BALANCE ITS BUDGET WITHOUT SUBJECTING IT TO EXTERNAL FINANCIAL CONTROL, IT SHOULD RECEIVE A SUPPLEMENTARY SHARE OUT OF THE SHARE OF THE MANDATED TERRITORIES, UNDER CONDITIONS WHICH WILL ENTITLE IT TO SHARE IN THE EXPANSION OF CUSTOMS REVENUE RESULTING FROM AN INCREASE OF PROSPERITY IN THE REST OF PALESTIME.

"THIS ARRANGEMENT COULD BE EXTENDED, IF DESIRED, TO COVER INTERNAL COMMUNICATIONS -RAILWAYS, POSTS AND TELEGRAPHS -- THUS REMOVING CERTAIN OBVIOUS ADMINISTRATIVE DIFFICULTIES
CONSEQUENT ON PARTITION. WHILE THIS ARRANGEMENT WITHHOLDS FISCAL AUTONOMY FROM THE ÅRAB AND
JEWISH STATES IT SEEMS TO THE COMMISSION, SUBJECT TO CERTAIN RESERVATIONS, TO FORM A SATISFACTORY BASIS FOR SETTLEMENT, PROVIDED HIS MAJESTY'S GOVERNMENT ARE PREPARED TO ACCEPT THE
CONSIDERABLE FINANCIAL LIABILITY INVOLVED."

3 PLANS CONSIDERED

THE FOUR-MAN COMMISSION HEADED BY SIR JOHN WOODHEAD EXAMINED THREE ALTERNATIVE SCHEMES OF PARTITION. PLAN A, THE PEEL ROYAL COMMISSION'S SCHEME, WAS REJECTED. PLAN B, A MODIFICATION OF PLAN A, WAS PREFERRED BY ONE MEMBER. PLAN C, A FURTHER MODIFICATION, WAS CONSIDERED BY TWO MEMBERS, INCLUDING CHAIRMAN WOODHEAD, AS THE BEST THAT COULD BE DEVISED UNDER THE TERMS OF REFERENCE. THE FOURTH MEMBER, WHILE AGREEING THAT PLAN C WAS THE BEST THAT COULD BE DEVISED UNDER THE TERMS OF REFERENCE, REGARDED BOTH FLANS AS IMPRACTICABLE.

THE THREE PLANS ARE AS FOLLOWS:

- (A) THE PEEL PLAN FOR A COASTAL JEWISH STATE, A BRITISH-MANDATED CORRIDOR FROM JERUSALEM TO JAFFA AND THE REST OF PALESTINE TO BE COMBINED WITH TRANSJORDAN INTO AN ARAB STATE. THIS WAS REJECTED ON THE GROUND THAT THE GALILEE SHOULD NOT BE INCLUDED IN THE JEWISH STATE.
- (B) SAME AS PLAN A, EXCEPT THAT THE GALILEE AND A SMALL SOUTHERN PORTION ARE EXCLUDED FROM THE JEWISH STATE. THIS PLAN WAS REJECTED BY A MAJORITY ON THE PRINCIPAL GROUNDS THAT NO DISPOSITION COULD BE MADE OF THE GALILEE AND HAIFA THAT WOULD NOT ENDANGER EITHER ARAD OR JEWISH INTERESTS.

(C) RETENTION OF NORTHERN AND SOUTHERN PALESTINE UNDER MANDATE, WITH CENTRAL PALEST-INE TO BE PARTITIONED INTO A SMALL COASTAL JEWISH STATE, AN ARAB STATE AND A PERMANENTLY-MANDATED CORRIDOR CALLED THE "JERUSALEM ENCLA

IN ADDITION, THE COMMISSION REJECTED PROPOSALS FOR THE INCLUSION IN THE JEWISH STATE OF PART OF JERUSALEM AND CERTAIN OTHER AREAS OUTSIDE THE JEWISH STATE AS OUTLINED BY THE PEEL COMMISSION.

PLAN C OUTLINED

PLAN C IS THE ONLY ONE OF THE PARTITION SCHEMES TO RECEIVE DETAILED EXAMINATION. THE REPORT MAKES RECOMMENDATIONS AS TO IMMIGRATION AND THE POLITICAL FUTURE OF THE MANDATED TERRITORIES UNDER THIS PLAN, DISCUSSES BUDGETARY PROSPECTS AND CUSTOMS AND TARIFFS, AND FINALLY DECLARES THAT THE INTERESTS OF BOTH STATES DEMAND THAT THE THREE AREAS SHOULD CONSTITUTE A CUSTOMS UNION.

UNDER THIS PLAN, NORTHERN PALESTINE WOULD BE HELD UNDER MANDATE UNTIL BOTH RACES AGREED TO ITS INDEPENDENCE AS PART OF THE JEWISH OR ARAB STATE OR AS A SEPARATE PALESTINIAN STATE, BUT HAIFA AND ACRE MOULD ONLY BE GRANTED INDEPENDENCE IF THIS COULD BE DONE SAFELY, CONSIDERING BRITAIN'S RESPONSIBILITY FOR PROTECTION OF HOLY PLACES AND DEFENDING THE NEW STATES AGAINST AGGRESSION. THE SOUTHERN TERRITORY WOULD BE HELD UNDER MANDATE FOR AT LEAST TEN YEARS AND NO INDEPENDENT STATE WOULD BE SET UP IF EVEN A MINORITY OF ITS INHABITANTS OBJECTED.

REGARDING LAND ACQUISITION IN THE PROPOSED MANDATED TERRITORIES, PLAN C RECOMMENDS
THAT THE MANDATORY BE EMPOWERED TO PROHIBIT LAND TRANSFER IN THESE TERRITORIES, AND THAT
LAND TRANSFER TO JEWS BE IMMEDIATELY PROHIBITED IN THE GALILEE FOR TEN YEARS OR MORE, EXCEPT
FOR HAIFA AND TIBERIAS, WHICH WOULD BE DECLARED "FREE AREAS." IN THE SOUTHERN TERRITORY, THE
"UNOCCUPIED AREA" WOULD BE DECLARED PUBLIC DOMAIN WHERE A JEWISH COMPANY COULD RECEIVE LEASES,
WHILE IN THE "OCCUPIED AREA," WHERE BEDOUINS LIVE, JEWISH LAND ACQUISITION WOULD BE PROHIBITED
UNTIL THE GOOD WILL OF THE BEDOUINS WAS OBTAINED, FOR DEVELOPMENT.

IMMIGRATION INTO THE MANDATED TERRITORIES WOULD BE REGULATED BY "POLITICAL, SOCIAL AND PSYCHOLOGICAL, BESIDES ECONOMIC CONSIDERATIONS," WITH JEWS GIVEN PREFERENCE IN IMMIGRATION. SIR ALISON RUSSELL, IN MAKING RESERVATIONS TO THIS PLAN, SAID IT WAS NOT IN ACCORD WITH THE OBLIGATIONS TO THE JEWS.

SUBVENTION TO ARAB STATE HELD UNMISE

DISCUSSING BUDGETARY PROSPECTS, THE REPORT OPPOSES AS UNWISE A JEWISH STATE SUBVENTION TO THE ARAB STATE AS PROPOSED BY THE PEEL COMMISSION. IT FORESEES A SURPLUS OF E-600,000 FOR THE JEWISH STATE, A DEFICIT OF E-60.000 FOR THE MANDATED TERRITORIES, WITHOUT PROVISION FOR DEFENCE.

DECLARING THAT "IT IS ONLY THE JEWISH CONTRIBUTIONS TO TAX REVENUE THAT HAVE ENABLED PALESTINE TO BALANCE ITS BUDGETS," THE REPORT DECLARES THAT NO BOUNDARIES COULD BE RECOMMENDED THAT MOULD AFFORD A REASONABLE PROSPECT FOR A SELF-SUPPORTING ARAB STATE. SINCE THE ARAB STATE WOULD NEED THE MANDATED TERRITORIES AS AN OUTLET FOR AGRICULTURAL PRODUCE AND THE JEWISH STATE WOULD NEED THEM AS AN OUTLET FOR MANUFACTURES, A CUSTOMS UNION COMPRISING THE THREE AREAS IS SUGGESTED.

"But a customs union between a mandated territory and an independent state or states would create serious constitutional difficulties," the summary says. "His Majesty's Govern-

MENT COULD NOT BE EXPECTED TO APPROVE A SCHEME WHICH WOULD DEPRIVE THEM OF THE RIGHT TO INSIST ON CHANGES IN THE FISCAL POLICY OF ANY MEMBER-STATE WHICH THEY MAY THINK NECESSARY, ON REVENUE GROUNDS, AS A CONDITION OF THEIR CONTINUING TO VOTE ASSISTANCE TO ENABLE THAT MEMBER TO BALANCE ITS BUDGET. A CUSTOMS UNION BETWEEN THE MANDATED TERRITORIES AND THE ARAB AND JEWISH STATES WOULD THEREFORE BE IMPOSSIBLE EXCEPT UNDER CONDITIONS WHICH WOULD BE INCONSISTENT WITH THE GRANT OF FISCAL INDEPENDENCE TO THESE STATES."

IT IS HERE THAT THE PROPOSAL FOR "ECONOMIC FEDERALISM" IS MADE AS THE CONCLUSION.

THE WOODHEAD COMMISSION WAS APPOINTED BY THEN COLONIAL SECRETARY WILLIAM G.A. ORMSBY-GORE ON MARCH I. THE MEMBERS, BESIDES CHAIRMAN WOODHEAD, ARE SIR ALISON RUSSELL, A.P. WATERFIELD AND THOMAS REGED. THE COMMISSION ARRIVED IN PALESTINE APRIL 27 AND DID 3,000 MILES OF TOURING. FIFTY-FIVE SESSIONS WERE HELD IN JERUSALEM, ONLY TWO OF THEM PUBLIC, TO HEAR EVIDENCE. THE COMMISSION LEFT ON AUG. 3 FOR LONDON AND HELD NINE FURTHER HEARINGS THERE BEFORE BEGINNING PREPARATION OF ITS REPORT.

AGENCY HOLDS ONLY BALFOUR DECLARATION, MANDATE, CAN BE BASIS OF PARLEYS

LONDON, Nov. 9. (JTA) -- THE JEWISH AGENCY FOR PALESTINE ANNOUNCED TONIGHT THAT THE WOODHEAD COMMISSION'S REPORT COULD NOT SERVE AS A BASIS FOR THE NEGOTIATIONS RECOMMENDED BY THE BRITISH GOVERNMENT IN ITS STATEMENT OF POLICY ACCOMPANYING THE REPORT. ONLY THE BALFOUR DECLARATION AND THE LEAGUE OF NATIONS MANDATE COULD SERVE AS THE BASIS FOR SUCH NEGOTIATIONS, IT WAS STATED.

THE AGENCY ATTACKED THE WOODHEAD REPORT FOR DISREGARDING THE MANDATORY POWER'S OBLIGATION TO THE JEWISH PEOPLE TO FACILITATE RE-ESTABLISHMENT OF A NATIONAL HOME. IT DENOUNCED THE PLAN SUGGESTED BY THE COMMISSION TO REPLACE THE 1937 ROYAL COMMISSION'S PARTITION PROPOSAL AS A "TRAVESTY" OF THE OBLIGATIONS THE MANDATORY POWER UNDERTOOK ON BEHALF OF THE LEAGUE OF NATIONS.

IN A STATEMENT ISSUED SHORTLY AFTER PUBLICATION OF THE WOODHEAD REPORT AND THE GOVERN-MENT'S DECLARATION OF POLICY, THE AGENCY ASSERTED THERE WAS NO QUESTION OF THE REPORT SERVING AS A BASIS OF ANY NEGOTIATIONS, EITHER BETMEEN THE ARABS AND THE JEWS, OR THE AGENCY AND THE GOVERNMENT.

COMMENTING ON THE POLICY DECLARATION, THE AGENCY POINTED OUT THAT THE GOVERNMENT HAD LAST YEAR REFUSED ITS REQUEST TO SUMMON AN ARAD-JEWISH ROUNDTASLE CONFERENCE. IT EXPRESSED GRAVE APPREHENSION AT THE GOVERNMENT'S PROPOSAL TO BRING REPRESENTATIVES OF NEIGHBORING ARAB STATES INTO THE CONFERENCES, DECLARING THE STATES HAD NO SPECIAL STATUS WITH RESPECT TO PATES INE AND NO RIGHTS GREATER THAN MEMBERS OF THE LEAGUE OR THE UNITED STATES.

"THE JEWISH AGENCY," THE STATEMENT ADDED, "CAN BE A PARTY TO FURTHER DISCUSSIONS ONLY ON THE BASIS OF THE BALFOUR DECLARATION AND THE MANDATE."

THE AGENCY FURTHER OBSERVED THAT THE GOVERNMENT'S POLICY DECLARATION CONSTITUTED A "REVERSAL OF POLICY." IT ASSERTED THAT THE WOODHEAD COMMISSION'S REJECTION OF THE PRIOR CONCLUSIONS FOUND BY THE ROYAL COMMISSION WAS THE "RESULT NOT OF NEW FACTS DISCOVERED BY THEM BUT OF THEIR INTERPRETATION OF THE TERMS OF REFERENCE GIVEN THEM BY HIS MAJESTY'S GOVERNMENT.

TEXT OF AGENCY STATEMENT

LONDON, Nov. 9. (JTA) -- FOLLOWING IS THE TEXT OF THE STATEMENT ISSUED TODAY BY THE JEWISH AGENCY FOR PALESTINE REJECTING THE WOODHEAD COMMISSION'S REPORT ON THE HOLY LAND SITUATION AS A BASIS FOR NEGOTIATIONS:

WE NOTE THAT HIS MAJESTY'S GOVERNMENT, IN A STATEMENT OF POLICY PUBLISHED TODAY, REVERSES THE POLICY ANNOUNCED BY THEM LAST YEAR ON PUBLICATION OF THE ROYAL COMMISSION'S REPORT OF ESTABLISHING IN PALESTINE TWO INDEPENDENT STATES -- ONE JEWISH, ONE ARAB.

THIS REVERSAL OF POLICY IS BASED ON A REPORT OF THE PALESTINE PARTITION COMMISSION, WHICH WAS APPOINTED TO DRAW UP A MORE PRECISE AND DETAILED SCHEME OF PARTITION ON THE LINES OF THE ROYAL COMMISSION'S PROPOSALS.

THE NEW COMMISSION'S REJECTION OF THE ROYAL COMMISSION'S SCHEME IS THE RESULT NOT OF NEW FACTS DISCOVERED BY THEM, BUT OF AN INTERPRETATION OF THE TERMS OF REFERENCE GIVEN THEM BY HIS MAJESTY'S GOVERNMENT AS BEING PRIOR TO AND AT VARIANCE WITH THE ROYAL COMMISSION RECOMMEDIATIONS.

A CURSORY READING OF THE PARTITION COMMISSION REPORT MAKES IT IMPOSSIBLE FOR THE PRESENT TO MAKE ANY ATTEMPT AT COMPLETE OR DETAILED ANALYSIS. THE FOLLOWING OBSERVATIONS ONLY ARE OFFERED:

A MAJORITY OF THE PARTITION COMMISSION SEEM TO HAVE DISREGARDED THE MAIN CONSIDERATION RELEVANT TO THE WHOLE ISSUE -- IE. THE INTERNATIONAL OBLIGATION OF THE MANDATORY POWER TO THE JEWISH PEOPLE AS A WHOLE TO FACILITATE REESTABLISHMENT OF THEIR NATIONAL HOME IN PALESTINE

THE COMMISSION, INSTEAD OF WORKING OUT A MORE PRECISE AND DETAILED SCHEME ON THE BASIS ACCEPTED LAST YEAR BY HIS MAJESTY'S GOVERNMENT, PROPOSE TO DISMEMBER THE EXISTING JEWISH SETTLEMENT BY EXCLUDING FROM WHAT THE MAJORITY OF THE COMMISSION CALLS "THE JEWISH STATE" THE GREATER PART OF THE JEWISH LAND AND HOLDINGS AND THE MOST IMPORTANT AREAS OF JEWISH COLONIZATIONS.

This 'State' comprises an area of less than one-twentieth of the whole of western Palestine, 300,000 acres in all, and less than one-hundredth of the area indicated by the Royal Commission as having been intended in 1917 for a national home.

THIS IS A TRAVESTY OF THE OBLIGATIONS UNDERTAKEN ON BEHALF OF THE LEAGUE (OF NATIONS) BY THE MANDATORY POWER. THAT THE PROPOSAL DOES NOT COMPLY WITH OBLIGATIONS TO THE JEWS WAS POINTED OUT BY ONE OF THE COMMISSIONERS, SIR ALISON RUSSELL.

HAVING BROKEN UP THE EXISTING NATIONAL HOME, THE PARTITION COMMISSION PROCEEDS TO ABOLISH, AS FAR AS NINETEEN-TWENTIETHS OF WESTERN PALESTINE IS CONCERNED, THE BALFOUR DECLARATION AND THE JEWISH NATIONAL HOME PROVISIONS OF THE MANDATE.

THERE CAN BE NO QUESTION AS TO THIS REPORT SERVING AS THE BASIS OF ANY NEGOTIATIONS EITHER BETWEEN JEWS AND ARABS OR BETWEEN THE JEWISH AGENCY AND HIS MAJESTY'S GOVERNMENT.

IN PARAGRAPH THREE, WE NOTE THAT IT IS THE UNANIMOUS VIEW OF THE PARTITION COMMISSION THAT IT IS ONLY JEWISH IMMIGRATION WHICH HAS MADE POSSIBLE THE HIGH CEVEL OF PUBLIC SERVICES ENJOYED BY THE ARAB POPULATION OF PALESTINE AND THAT, WITHOUT JEWISH IMMIGRATION, THE COUNTRY WOULD NOT MAINTAIN ITSELF.

IN PARAGRAPH FOUR, HIS MAJESTY'S GOVERNMENT NOW DECLARES ITS INTENTION OF PURSUING A POLICY WHICH WILL BE CONSISTENT WITH ITS OBLIGATIONS TOWARDS THE JEWS AS WELL AS THE ARASS AND MAKE A DETERMINED EFFORT TO PROMOTE UNDERSTANDING BETWEEN THE TWO PEOPLES.

LAST YEAR AFTER PUBLICATION OF THE ROYAL COMMISSION REPORT, THE JEWISH AGENCY REQUESTED HIS MAJESTY'S GOVERNMENT TO CONVENE A JEWISH-ARAB CONFERENCE FOR THE SAME PURPOSE, BUT THE REQUEST WAS AT THE TIME REFUSED.

IT HAS BEEN THE CONSISTENT POLICY OF THE ZIONIST MOVEMENT AND THE JEWISH AGENCY TO SEEK AN UNDERSTANDING WITH THE ARASS. BUT WE CANNOT CONCEAL OUR GRAVE APPREHENSION WITH REGARD TO THE PROCEDURE PROPOSED TO BE ADOPTED BY HIS MAJESTY'S GOVERNMENT IN BRINGING IN NEIGHBORING ARAB STATES.

THOSE STATES HAVE NO SPECIAL STATUS WITH REGARD TO PALESTINE. INSOFAR AS THEY ARE MEMBERS OF THE LEAGUE OF NATIONS, THEIR RIGHTS ARE NO GREATER THAN THOSE OF OTHER STATES WHICH ARE MEMBERS OF THE LEAGUE OR THE UNITED STATES.

DISCUSSIONS WITH THESE STATES ALONE ARE HARDLY TO BE RECONCILED WITH THE WELCOME ASSURANCE THAT HIS MAJESTY'S GOVERNMENT WILL KEEP CONSTANTLY IN MIND THE INTERNATIONAL CHARACTER OF THE MANDATE WITH WHICH THEY ARE ENTRUSTED AND THEIR OBLIGATIONS IN THIS RESPECT.

THE JEWISH AGENCY CAN BE A PARTY TO FURTHER DISCUSSIONS ONLY ON THE BASIS OF THE BALFOUR DECLARATION AND THE MANDATE."

TEXT OF STATEMENT OF POLICY

FOLLOWING IS THE BRITISH GOVERNMENT'S STATEMENT OF POLICY ON PALESTINE TO THE HOUSE OF COMMONS:

THE ROYAL COMMISSION PRESIDED OVER BY THE LATE LORD PEEL PUBLISHED ITS REPORT IN JULY, 1937 AND PROPOSED A SOLUTION OF THE PALESTINIAN PROBLEM BY MEANS OF A SCHEME OF PARTITION, UNDER WHICH INDEPENDENT ARAB AND JEWISH STATES WOULD BE ESTABLISHED WHILE OTHER AREAS WOULD BE RETAINED UNDER MANDATORY ADMINISTRATION. IN THEIR STATEMENT OF POLICY FOLLOWING UPOF THE PUBLICATION OF THE REPORT HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM ANNOUNCED THEIR GENERAL AGREEMENT WITH THE ARQUMENTS AND CONCLUSIONS OF THE ROYAL COMMISSION AND EXPRESSED THE VIEW THAT A SCHEME OF PARTITION ON THE GENERAL LINES RECOMMENDED BY THE COMMISSION REPRESENTED THE BEST AND MOST HOPEFUL SOLUTION OF THE DEADLOCK.

THE PROPOSAL OF THE COMMISSION WAS FRAMED IN THE LIGHT OF THE INFORMATION AVAILABLE AT THE TIME AND IT WAS GENERALLY RECOGNISED THAT FURTHER DETAILED EXAMINATION WOULD BE NEC-ESSARY BEFORE IT COULD BE DECIDED WHETHER SUCH A SOLUTION WOULD PROVE PRACTICABLE. THIS PROPOSAL WAS SUBSEQUENTLY DISCUSSED IN PARLIAMENT AND AT MEETINGS OF THE PERMANENT MANDATE COMMISSION AND OF THE COUNCIL AND ASSEMBLY OF THE LEAGUE OF NATIONS WHEN HIS MAJESTY'S GOVERN-MENT IN THE UNITED KINGDOM RECEIVED AUTHORITY TO REGULATE THE PRACTICAL APPLICATION OF THE PRINCIPLE OF PARTITION. A DESPATCH OF DECEMBER 23RD, 1937 FROM THE SECRETARY OF STATE FOR THE COLONIES TO THE HIGH COMMISSIONER FOR PALESTINE ANNOUNCED THE INTENTION OF HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM TO UNDERTAKE THE FURTHER INVESTIGATIONS REQUIRED FOR DRAWING UP A MORE PRECISE AND DETAILED SCHEME. IT WAS POINTED OUT THAT THE FINAL DECISION COULD NOT BE TAKEN IN MERELY GENERAL TERMS AND THAT FURTHER ENQUIRY WOULD PROVIDE THE NECESSARY MAT-ERIAL ON WHICH TO JUDGE, WHEN THE BEST POSSIBLE PARTITION SCHEME HAD BEEN FORMULATED, ITS EQUITY AND PRACTICABILITY. THE DESPATCH ALSO DEFINED THE FUNCTIONS AND TERMS OF REFERENCE OF THE TECHNICAL COMMISSION WHO WERE APPOINTED TO VISIT PALESTINE FOR THE PURPOSE OF SUBMITT-ING IN DUE COURSE TO HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM PROPOSALS FOR SUCH A DETAILED SCHEME.

HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM HAVE NOW RECEIVED THE REPORT OF THE PALESTINE PARTITION COMMISSION WHO HAVE CARRIED OUT THEIR INVESTIGATIONS WITH GREAT THOROUGH-

NESS AND EFFICIENCY AND HAVE COLLECTED MATERIAL WHICH WILL BE VERY VALUABLE IN FURTHER CON-SIDERATION OF POLICY. THEIR REPORT IS NOW PUBLISHED TOGETHER WITH A SUMMARY OF THEIR CON-CLUSIONS. IT WILL BE NOTED THAT FOUR MEMBERS OF THE COMMISSION ADVISE UNANIMOUSLY SOME ADOPTION OF THE SCHEME OF PARTITION OUTLINED BY THE ROYAL COMMISSION. IN ADDITION TO THE ROYAL COMMISSION'S SCHEME TWO OTHER SCHEMES, DESCRIBED AS PLANS B AND C, ARE EXAMINED IN THE REPORT. ONE MEMBER PREFERS PLAN B. TWO OTHER MEMBERS INCLUDING THE CHAIRMAN CONSIDER PLAN C THE BEST SCHEME OF PARTITION WHICH UNDER THE TERMS OF REFERENCE CAN BE DEVISED. THE FOURTH MEMBER, WHILE AGREEING THAT PLAN C IS THE BEST THAT CAN BE DEVISED UNDER THE TERMS OF REFERENCE, REGARDS BOTH PLANS AS IMPRACTICABLE. THE REPORT POINTS OUT THAT UNDER EITHER PLAN WHILE THE BUDGET OF THE JEWISH STATE IS LIKELY TO SHOW A SUBSTANTIAL SURPLUS, THE BUD-GETS OF THE ARAB STATES (INCLUDING TRANS-JORDAN) AND OF THE MANDATED TERRITORIES ARE LIKELY TO SHOW SUBSTANTIAL DEFICTS. THE COMMISSION REJECT AS IMPRACTICABLE THE ROYAL COMMISSION'S RECOMMENDATION FOR A DIRECT SUBVENTION FROM THE JEWISH STATE TO THE ARAB STATES. THEY THINK THAT ON ECONOMIC GROUNDS A CUSTOMS UNION BETWEEN THE STATES AND THE MANDATED TERRITORIES IS ESSENTIAL AND THEY EXAMINE THE POSSIBILITY OF FINDING A SOLUTION FOR THE FINANCIAL AND ECONOMIC PROBLEMS OF PARTITION BY MEANS OF A SCHEME BASED UPON SUCH A UNION BUT THEY CONSIDER THAT ANY SUCH SCHEME WOULD BE INCONSISTENT WITH THE GRANT OF FISCAL INCEPENDENCE TO THE ARAB AND JEWISH STATES. THEIR CONCLUSION IS THAT ON A STRICT INTERPRETATION OF THEIR TERMS OF REFERENCE THEY HAVE NO ALTERNATIVE BUT TO REPORT THAT THEY ARE UNABLE TO RECOMMEND BOUNDAR-IES FOR THE PROPOSED AREAS WHICH WILL AFFORD A REASONABLE PROSPECT OF THE EVENTUAL ESTABLISH-MENT OF SELF-SUPPORTING ARAB AND JEWISH STATES.

HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM WILL THEREFORE CONTINUE THEIR RESPON-SIBILITY FOR THE GOVERNMENT OF THE WHOLE OF PALESTINE. THEY ARE NOW FACED WITH THE PROBLEM OF FINDING ALTERNATIVE MEANS OF MEETING THE NEEDS OF THE DIFFICULT SITUATION DESCRIBED BY THE ROYAL COMMISSION WHICH WILL BE CONSISTENT WITH THEIR OBLIGATIONS TO THE ARABS AND THE JEWS. HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM BELIEVE IT IS POSSIBLE TO FIND THESE ALTERNATIVE MEANS. THEY HAVE ALREADY GIVEN MUCH . THOUGHT TO THE PROBLEM IN THE LIGHT OF THE REPORTS OF THE ROYAL COMMISSION AND OF THE PARTITION COMMISSION. IT IS CLEAR THAT THE SUREST FOUNDATION FOR PEACE AND PROGRESS IN PALESTINE WOULD BE AN UNDERSTANDING BETWEEN ARABS AND JEWS AND HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM ARE PREPARED IN THE FIRST IN-STANCE TO MAKE A DETERMINED EFFORT TO PROMOTE SUCH AN UNDERSTANDING. WITH THIS END IN VIEW THEY PROPOSE IMMEDIATELY TO INVITE REPRESENTATIVES OF THE PALESTINE ARABS AND NEIGHBOURING STATES ON THE ONE HAND AND OF THE JEWISH AGENCY ON THE OTHER HAND TO CONFER WITH THEM AS SOON AS POSSIBLE IN LONDON REGARDING FUTURE POLICY, INCLUDING THE QUESTION OF IMMIGRATION INTO PALESTINE. AS REGARDS THE REPRESENTATION OF THE PALESTINE ARABS HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM MUST RESERVE THE RIGHT TO REFUSE TO RECEIVE THOSE LEADERS WHOM THEY REGARD AS RESPONSIBLE FOR THE CAMPAIGN OF ASSASSINATION AND VIOLENCE.

HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM HOPE THAT THESE DISCUSSIONS IN LONDON MAY HELP TO PROMOTE AGREEMENT AS TO FUTURE POLICY REGARDING PALESTINE. THEY ATTACH GREAT IMPORTANCE, HOWEVER, TO A DECISION BEING REACHED AT AN EARLY DATE. THEREFORE IF THE LONDON DISCUSSIONS SHOULD NOT PRODUCE AN AGREEMENT WITHIN A REASONABLE PERIOD OF TIME THEY WILL TAKE THEIR OWN DECISION IN THE LIGHT OF THEIR EXAMINATION OF THE PROBLEM AND OF THE DISCUSSIONS IN LONDON AND ANNOUNCE THE POLICY WHICH THEY PROPOSE TO PURSUE. IN CONSIDERING AND SETTLING THEIR POLICY HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM WILL KEEP CONSTANTLY IN MIND THE INTERNATIONAL CHARACTER OF THE MANDATE WITH WHICH THEY HAVE BEEN ENTRUSTED AND THEIR OBLIGATIONS IN THAT RESPECT.

HULL STUDYING WOODHEAD REPORT

WASHINGTON, Nov. 9. (JTA) -- DECLARING THAT HE WAS STUDYING THE BRITISH GOVERNMENT'S PALESTINE REPORT, SECRETARY OF STATE CORDELL HULL ANNOUNCED AT HIS PRESS CONFERENCE TODAY THAT HE WOULD MAKE A STATEMENT ON THE REPORT IF HE OBTAINED ANY SPECIAL IMPRESSION FROM IT. HE DENIED THAT HE WOULD SEE THE BRITISH AMBASSADOR, SIR RONALD LINDSAY, ON THE ISSUE.

NAZI E'BASSY, AIDE, WOUNDED BY POLISH JEW, DIES IN PARIS

PARIS, Nov. 9. (JTA) -- THE DEATH THIS AFTERNOON OF ERNST VON RATH, 32-YEAR-OLD THIRD SECRETARY OF THE GERMAN EMBASSY, TONIGHT PLACED HIS 17-YEAR-OLD JEWISH ASSAILANT, HERSCHEL GRYNSZPAN, WITHIN THE SHADOW OF THE DEATH PENALTY AND AGGRAVATED THE INTERNATIONAL ASPECT OF THE CASE.

THE YOUNG POLISH JEW HAS BEEN DETAINED BY THE PARIS POLICE EVER SINCE MONDAY, WHEN HE STEPPED INTO THE GERMAN EMBASSY, ANNOUNCED HE WAS A "RACE AVENGER" AND FIRED TWO BULLETS INTO THE BODY OF VON RATH.

ANTI-JEWISH DEMONSTRATIONS IN BERLIN

BERLIN, Nov. 9. (HAVAS) -- ANTI-JEWISH DEMONSTRATIONS OCCURRED TODAY BEFORE THE OFFICES OF THE FRENCH TOURIST BUREAU HERE, ON THE UNTER DEN LINDEN, AS RESULT OF THE SHOOTING OF ERNST VON RATH, REICH EMBASSY OFFICIAL IN PARIS. THE DEMONSTRATIONS WERE ENDED BY THE GESTAPO AFTER MARCEL BESNARD, DIRECTOR OF THE TOURIST BUREAU, HAD ASKED POLICE AID AND THEN GONE DIRECTLY TO THE FRENCH EMBASSY.

THE EMBASSY INTERVENED AT THE REICH FOREIGN OFFICE AND A LITTLE LATER GESTAPO OFFICIALS CALLED UPON BESNARD TO EXPRESS THEIR REGRETS. IT WAS STRESSED THAT THE DEMONSTRATIONS WERE IN NO WAY ANTI-FRENCH IN CHARACTER BUT WERE DIRECTED ONLY AGAINST JEWS. GROUPS CIRCULATED BEFORE THE BUILDING SHOUTING "DOWN WITH JEWS!" WHEN THEY SAW SOME PEOPLE LEAVING THE BUREAU THEY TOOK FOR JEWS TRYING TO ESCAPE TO FRANCE.

WHEN NEWS OF VON RATH'S DEATH REACHED HERE TONIGHT OFFICIAL CIRCLES REFUSED TO COMMENT IMMEDIATELY. THERE WAS NO ATTEMPT, HOWEVER, TO CONCEAL THE FACT THAT IT WILL HAVE SERIOUS CONSEQUENCES ON JEWS IN THE REICH.

ALL RADIO STATIONS IN GERMANY OBSERVED TWO MINUTES SILENCE IN VON RATH'S MEMORY AT 6.35 P.M. CHANCELLOR ADOLF HITLER IMMEDIATELY DISPATCHED THE FOLLOWING TELEGRAM TO VON RATH'S PARENTS: "PLEASE ACCEPT MY MOST SINCERE CONDOLENCES FOR THE HEAVY LOSS WHICH YOU HAVE JUST SUFFERED FOLLOWING THE COWARDLY ASSASSINATION OF WHICH YOUR SON WAS THE VICTIM."

AT DESSAU, ACCORDING TO THE GERMAN NEWS AGENCY (D.N.B.), SPONTANEOUS DEMONSTRATIONS OCCURRED AGAINST THE JEWS WHEN VON RATH'S DEATH BECAME KNOWN. POLICE HAD TO INTERVENE TO PROTECT THE JEWS, THE REPORT SAID.

A SYNAGOGUE AT HERSFELD, PRUSSIA, WAS DESTROYED BY FIRE SET BY NAZIS AS AN ACT OF REPRISAL FOR THE SHOOTING.

POLICE ARRESTED A PROTESTANT PASTOR WHO HAD ALLEGEDLY EXHORTED HIS CONGREGATION TO DONATE FUNDS FOR RELIEF OF GERMAN JEWS. THE ARREST OCCURRED WHILE THE PASTOR WAS HIMSELF TAKING UP A COLLECTION. HIS CHAUFFEUR ALSO WAS SEIZED.

NEW ITALIAN CIVIL CODE FURTHER SUBMERGES INDIVIDUAL, SAFEGUARDS "RACE"

ROME, Nov. 9. (JTA) -- THE FIRST SECTION OF A NEW CIVIL CODE WHICH ALTERS DRASTICALLY THE FUNDAMENTAL ROLE OF THE ITALIAN CITIZEN WITHIN THE FASCIST STATE, SAFEGUARDS THE "RACE" AND ESTABLISHES ENFORCED "SOCIAL SOLIDARITY" AND FASCIST EDUCATION, WAS APPROVED TODAY BY THE MUSSOLINI GOVERNMENT.

A FEATURE OF THE CODE WILL BE IMPROVEMENT OF THE POSITION OF ILLEGITIMATE CHILDREN IN ITALY, PERMITTING THEIR RECOGNITION WITHIN THE FASCIST SOCIETY AND ESTABLISHMENT OF THEIR PATERNITY.

THE ESSENTIAL PRINCIPLE BEHIND THE NEW ITALIAN LEGISLATION IS ABANDONING OF THE OLD THEORIES OF INDIVIDUALISM DATING BACK TO THE FRENCH REVOLUTION. IT WILL BE FOUNDED ON "THE FEELING OF SOCIAL SOLIDARITY WHICH SUBORDINATES LIMITED, AND THEREFORE EGOTISTICAL INTERESTS, TO HIGHER INTERESTS OF THE STATE."

GUARDIANSHIP OF THE INDIVIDUAL BY THE STATE DISAPPEARS, UNDER THE NEW CODE, AND GIVES WAY TO PROTECTION OF THE NATIONAL COMMUNITY AND THE "FAMILY CELL."

THE SECOND PRINCIPLE UNDERLYING THE LEGISLATION IS BASED ON THE RECENTLY-INSTITUTED RACIAL POLICIES. A CITIZEN'S CAPACITY TO SERVE THE STATE MAY BE LIMITED IN ACCORDANCE WITH WHETHER HE BELONGS TO THE "ARM AN PACE" OR NOT.

RULES FOR MARRIAGE IP THE FASCIST STATE, FAMILY RELATIONS, ADOPTIONS WITH A VIEW TO STIMULATING FAMILY LIFE, AND DEFENSE OF THE RACE FROM "CONTAMINATION" ARE ALSO SET FORTH IN THE NEW CODE.

HENCEFORTH, PARENTS WILL BE OBLIGED NOT ONLY TO PROVIDE FOR THE EDUCATION OF THEIR CHILDREN BUT TO SEE TO IT THAT THEY ARE TAUGHT "IN ACCORDANCE WITH THE PRINCIPLES OF FASCIST MORALE AND NATIONAL SENTIMENT." EDUCATION WILL BE ENTIRELY UNDER AUTHORITY OF THE STATE AND WILL BE ORGANIZED ON RACIAL PRINCIPLES. TEACHERS WILL TAKE A FASCIST OATH OR IF THEY DO NOT WILL BE CLOSELY WATCHED BY THE AUTHORITIES.

THE NEW CODE EXPLAINS THAT IN ORDER TO CARRY OUT FASCIST DEMOGRAPHIC PRINCIPLES ALL CHILDREN WILL HAVE STATE PROTECTION, AND THE SITUATION OF ILLEGITIMATE CHILDREN WILL BE IMPROVED.

FINALLY THE STATE WILL FOSTER CREATION OF A "FAMILY HERITAGE" WITH A VIEW TO "REINFORCING THE FAMILY HERITAGE IN THE INTERESTS OF THE SONS AND OF THE FUTURE OF THE RACE."

FRENCH PRESS IRATE AT HITLER COLONIAL DEMANDS, SCORNFUL REFERENCE TO PALESTINE

PARIS, Nov. 9. (JTA) -- FRENCH NEWSPAPERS EXPRESSED ANGER TODAY OVER CHANCELLOR ADOLF HITLER'S SPEECH AT MUNICH YESTERDAY IN WHICH HE RENEWED DEMANDS FOR FULFILLMENT OF GERMANY'S COLONIAL CLAIMS AND REFERRED SCORNFULLY TO THE PALESTINE PROBLEM.

THE VIOLENT LANGUAGE OF THE FUEHRER IN HIS MUNICH SPEECH WILL ONLY SERVE TO HARDEN THE BRITISH OPPONENTS WHOM HE IS FIGHTING, L'ACTION FRANCAISE (ROYALIST) DECLARED. HIS CHARGES, NOTABLY THOSE REGARDING PALESTINE, ARE OFFENSIVE TO ALL CLASSES OF BRITONS, THE NEWSPAPER ADDED.

(IN HIS ADDRESS AT MUNICH, CHANCELLOR HITLER REFERRED TO PALESTINE AS A PLACE WHERE THE BRITISH HAVE CONSECRATED "THEIR INFALLIBLE WISDOM," AND ADDED: "WHAT IS GOING ON IN PALESTINE STRANGELY RESEMBLES FORCE AND VERY LITTLE DEMOCRACY.")

2 BRITISH SOLDIERS KILLED IN PALESTINE BATTLE

JERUSALEM, Nov. 9. (JTA) -- Two British soldiers were killed today and three wounded in two separate clashes with Arab rebel bands, one near Kalkilliah and the other at the village of Irtah, near Tulkarm.

HEYWOOD BROUN WARNS OF RISING ANTI-SEMITISM HERE

NEW YORK, Nov. 9. (JTA) -- Warning against the "RISING TIDE OF ANTI-SEMITISM IN THIS COUNTRY" WAS VOICED TODAY BY HEYMOOD BROUN, NOTED JOURNALIST WHOSE N.Y. WORLD TELEGRAM COLUMN, "IT SEMS TO ME," IS SYNDICATED IN NEWSPAPERS THROUGHOUT THE UNITED STATES. DECLARING THAT HITLER'S LEADERSHIP "HAS ALREADY HURT AMERICA IN A VERY TANGIBLE WAY," MR. BROUN SAID IN HIS COLUMN: "FASCIST DIPLOMATIC TRIUMPHS ABROAD HAVE OPENED THE WAY TO PROMOTE A RISING TIDE OF ANTI-SEMITIME IN THIS COUNTRY. THIS IS A FOREIGN PRODUCT WHICH WE SHOULD SHUT OUT. TELL YOUR CONGRESSMAN ABOUT IT."

ANTI-SEMITISM HAS FREE REIN IN SLOVAKIA; 500 JEWS EXPELLED FROM BRATISLAVA U.

PRAHA, Nov. 9. (JTA) -- While the Praha Government is energetically suppressing anti-Jewish activities in Bohemia, anti-Semitism is enjoying free rein in Slovakia. Five hundred Jewish students have been dismissed from Bratislava University, in the capital of Slovakia, allegedly as Communists. At the same time, anti-Jewish excesses and agitation are continuing on the pretext that the Jews were responsible for Slovakia's Dismemberment.

A BROADCAST FROM BRATISLAVA ACCUSED "JEWISH BANDS" OF RESPONSIBILITY FOR ATTACKS AGAINST JEWISH AND GERMAN SHOPS. THE BRATISLAVA POLICE ARE DISCRIMINATING AGAINST THE JEWS IN THE MATTER OF CURRENCY REGULATIONS, PERMITTING DEPARTING "ARYANS" TO TAKE WITH THEM 500 KRONEN WHILE ALLOWING JEWS ONLY 50.

A SLOVAKIAN JEWISH NATIONAL COUNCIL HAS BEEN FORMED TO REPLACE THE DISSOLVED SLOVAKIAN BRANCH OF THE JEWISH PARTY OF CZECHOSLOVAKIA.

No Man's LAND REFUGEES SENT TO CZECH BARRACKS

PRAHA, Nov. 9. (JTA) -- THE CZECH AUTHORITIES TODAY PERMITTED THE TRANSFER OF A GROUP OF JEWISH REFUGEES, TRAPPED IN THE CZECH-GERMAN NO MAN'S LAND NEAR LUNDENBURG, TO BARRACKS SOUTH OF BRNO. FORBIDDEN TO LEAVE THE BARRACKS, THE REFUGEES ARE BEING SUPPLIED WITH FOOD BY THE BRNO JEWISH COMMUNITY. (THE GROUP WAS ONE OF SEVERAL CAUGHT IN UNASSIGNED AREAS BETWEEN CZECHOSLOVAKIA AND THE SUDETEN AREAS OCCUPIED BY THE GERMAN TROOPS.)

THE MUNICIPAL COUNCIL HAS REJECTED A MOTION BY THE CZECH FASCIST PARTY TO ESTABLISH A COMMISSION FOR THE PROTECTION OF THE "CZECH ARYAN CHARACTER OF THE CITY."

BULLETIN

ARAB LEADER SEES LITTLE HOPE OF PARLEYS

LONDON, Nov. 9. (JTA) -- DR. IZZAT TANNOUS, CHIEF OF THE ARAB PROPAGANDA CENTER HERE, DECLARED TONIGHT THERE WAS LITTLE HOPE FOR PARTICIPATION OF THE PALESTINE ARABS IN THE CONFERENCE TO BE CALLED BY THE BRITISH GOVERNMENT BECAUSE OF THE IMPLIED BARRING OF THE EXILED EX-MUTTI OF JERUSALEM. HE ALSO DEMANDED A GENERAL AMNESTY OF ARAB POLITICAL PRISONERS AS A CONDITION PRECEDENT TO APPEASEMENT TALKS. HOWEVER, HE VOICED GRATIFICATION THAT PARTITION HAD BEEN DROPPED.

THE GOVERNMENT STATEMENT OF POLICY WAS COMMUNICATED TO ARAB LEADERS IN PALESTINE, THE EMBASSIES OF EGYPT AND IRAG, THE LEGATION OF SAUDI ARABIA AND THE GOVERNMENT OF TRANSJORDAN, WHICH MOULD BE INVITED TO THE CONFERENCE. IT WAS BELIEVED THAT SYRIA, ALTHOUGH ONE OF THE WHEIGHBORING STATES" OF PALESTINE REFERRED TO IN THE STATEMENT, WOLLD NOT BE INVITED, BECAUSE ITS MANDATORY POWER, FRANCE, IS REPORTEDLY ANXIOUS TO KEEP OUT OF THE DISCUSSIONS.

THE JTA NEWS WILL NOT APPEAR FRIDAY, ARMISTICE DAY