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RUBLEE EMIGRATION TALKS COLLAPSE AS HITLER OUSTS SCHACHT FROM REICHSBANK

BERLIN, Jan. 20. (JTA) -- The Rublee negotiations on emigration of Jews collapsed suddenly and apparently permanently today with the sudden removal of Dr. Hjalmar Schacht as president of the Reichsbank and his replacement by Economics Minister Walther Funk.

"The development leaves the general situation much worse than before our arrival," a spokesman close to George Rublee, director of the Intergovernmental Refugee Bureau, declared. While Nazi sources are denying that Dr. Schacht's activity on the Jewish problem was a leading factor in his dismissal there is indication that the development spells victory for the Nazi radicals whose desire has been to have nothing to do with the Jews except to see them buried.

Technically, the negotiations have merely come to a standstill. This afternoon the Rublee mission was attempting desperately to discover through diplomatic channels whether another point of contact might be made with the Reich in order to continue the talks. Dr. Schacht and Reichsbank Director Karl Blessing have been the official hosts of the Rublee delegation since its arrival early last week.

The conferences so far held were due today to be summarized in a memorandum detailing the new Reich proposal, which was reported to involve creation of additional Reich exports amounting to 45,000,000 marks yearly through emigration of Jews. The proposal, which had already been handed to Mr. Rublee, becomes waste paper and, unless there are unexpected developments in the next few hours, the Evian delegation is going to Paris and London with empty hands, leaving behind a situation even less favorable for further negotiations than before.

Though it is technically possible for the negotiations to be taken up by Dr. Funk, this is believed most unlikely and certainly not on Dr. Schacht's compromise basis. If, as expected, Mr. Rublee fails to find another point of contact to continue the negotiations he will leave for Paris tonight or tomorrow to report on Monday to the meeting of the officers of the Intergovernmental Refugee Committee.

In informed quarters hope is practically nil that Dr. Funk will take up the proceedings where Dr. Schacht was forced to drop them. It is declared

here that "Funk does not want to have anything to do with the plan." Nor is any hope held out that Dr. Schacht, whose letter of dismissal from Chancellor Hitler stated he would continue serving the Reich with "special tasks," will be in a position to continue the negotiations. The feeling is strong that radical Nazis have thrown out of the window all compromise attempts and have renounced any responsibility to the outside world, financial or moral, for the Jews.

The break-off came as a stunning surprise to the Rublee mission. First intimation of it came in a telephone call this morning, stating that the appointment with Dr. Schacht, scheduled for today, had been called off. A second call brought the information that Dr. Schacht had been replaced by Dr. Funk, thus automatically turning the memorandum on the new plan into a worthless piece of paper.

The proposal now in the hands of Mr. Rublee was believed the closest approach to a workable scheme yet evolved. The scheme was understood to have removed the objectionable features of the original Schacht surplus export proposal. It was said to have guaranteed livable conditions for the Reich Jews pending their emigration and to have promised that no ghetto would be created in Germany. The plan also afforded some provisions for training Jews preparing for emigration.

The development is the hardest blow to German Jewry, which has been watching the talks with painful anxiety.

London Expects New Extremist Moves

LONDON, Jan. 20. (JTA) -- Dr. Schacht's removal as Reichsbank President created an unfavorable impression in the city today and the mark, which closed last night at 11.69 to the pound sterling, opened today at 11.74. His removal was interpreted here as a set-back to the moderate elements in the German leadership and the fall of the mark reflected the attitude of London financial circles toward the possibility of extremist moves in the financial and economic fields.

600 Dentists Hit By Nazi Ban

BERLIN, Jan. 20. (JTA) -- A new decree banning Jews as dentists, chemists and veterinaries bears heaviest on dentists, affecting between 400 and 500 in the old Reich and half that number in Austria. The dentists have already been deprived of valuable social insurance practice, which in most instances furnished them with the bulk of their practice. Jewish veterinaries have practically disappeared as a result of a powerful anti-Jewish boycott in the provinces. Most Jewish chemists who survived the earlier purges in their profession lost their jobs when the Nazis closed down Jewish-owned businesses on Jan. 1.

JEWISH CONGRESS PROTESTS LEAGUE INACTION ON DANZIG

GENEVA, Jan. 20. (JTA) -- The World Jewish Congress executive committee today telegraphed the League Council's Committee of Three on Danzig protesting its decision to postpone action on the anti-Jewish legislation recently adopted by the Nazi-dominated Danzig Senate. The wire expressed astonishment at the committee's failure to recognize that the racial laws constituted a violation of the League-guaranteed Constitution and protested shelving of a question which had been recognized as urgent.

3 SMALL REFUGEE GROUPS SET TO LAUNCH EXPERIMENTAL PROJECT IN FRENCH GUIANA

PARIS, Jan. 20. (JTA) -- Sponsored by Colonial Minister Georges Mandel and financed partly by the American Jewish Joint Distribution Committee and partly by the French Relief Committee, of which Baron Robert de Rothschild is chairman, the first group of Austrian and German Jewish refugees will leave for French Guiana on Feb. 2, to be followed later by other groups, it was announced today.

Opening of French Guiana to refugees is considered important in view of the British and Dutch opening their Guiana colonies to immigration and the French press, in praising M. Mandel, says the experiment of admitting pioneer groups may lead to fruitful developments. "Our Colonial Minister," the Paris *Soir* writes, "may well put the date Feb. 2 on a special calendar. It may be the beginning of something important."

The first group is composed of 12 refugees and includes chemists, agronomists, technicians and foresters. Warned of the climactic difficulties they would encounter, they replied: "The same is true of all underdeveloped territories. We intend to develop it and those who will die will be happy dying on free soil for a worthy cause."

While M. Mandel so far has agreed to admit to Guiana three small pioneer groups of 12 persons each, the Colonial Ministry tonight said in a statement that if these groups adjust themselves successfully the doors will remain open to further immigration. "Admittance will be stopped," the statement declared, "only if the present experiment proves undesirable."

It is understood that the Joint Distribution Committee, together with the Rothschild committee, is assisting each pioneer with 10,000 francs. The second group will sail March 10 and the third April 10. Commenting on the experiment, French evening newspapers point out that French Guiana has fertile soil, rich forests and gold mines but was avoided in the past because France, until two years ago, made it a place for prisoners. Jewish circles are refraining from comment, except to point out that the experiment will decide the future.

POLES WARN WESTERN POWERS TO SPEED EXODUS OF JEWS OR SEE DRASTIC SOLUTION

WARSAW, Jan. 20. (JTA) -- A Polish warning was given to the Western powers today that if they do not assist the emigration of Jews from Poland, then "we will have to solve the problem in our own way."

The statement was made in the Sejm (chamber of deputies) by Deputy Surzynski of the Government party, rapporteur on the Foreign Office estimates, who complained that Western governments were considering only the problem of emigration from Germany and were neglecting the Polish question despite its urgency. The Jews must remember, the Government spokesman asserted, that the Polish people will carry out measures dictated by their own interests, despite difficulties, unless a solution of the emigration problem is achieved soon.

During the debate, Jewish Deputy Emil Sommerstein declared that the Jews regarded the emigration problem as being of extreme importance, but were not responsible for the conditions which created both the necessity of emigrat-

ion and the difficulties of finding outlets. Stating that the world powers were not disposed to pay premiums for anti-Jewish persecution, he asserted that a policy of discrimination acted as a brake on efforts to increase emigration possibilities. He sharply criticized the attitude of Polish consulates in Germany in refusing protection to Polish Jews persecuted and deported by the Nazis, and also attacked the administration of the law for denationalization of Polish Jews living abroad.

SOLDIER, JEW KILLED, 10 WOUNDED IN NEW ARAB OUTBREAKS

JERUSALEM, Jan. 20. (JTA) -- Renewed Arab violence flared today, taking the lives of a British soldier and a young Jew and causing wounds to five soldiers and five Jews. The troop casualties were inflicted when a military trolley struck an Arab-planted mine near Ramleh. A 24-hour curfew was immediately imposed on the town by the military authorities. The Jewish casualties occurred in Haifa when planted bombs exploded on Nazareth Street, killing Gad Mizrachi, 18, and wounding Moshe Poloni, 47, Meir Grossman, 17, Haim Grenzel, 22, and special policemen Aaron Nusbaum, 23, and Benjamin Cohen, 25.

Farouk Named Caliph of Islam; Nashashibi Gets Parley Bid

CAIRO, Jan. 20 (JTA) -- Young King Farouk of Egypt was today acclaimed as Caliph of Islam during a ceremony attended by some of the highest dignitaries of the Moslem world. Attending the ceremony at which Farouk was thus hailed were Emir Seif Islam Hussein of Yemen, Emir Feisal of Saudi Arabia, his brother, Emir Khaled, and 500 Egyptian officers. A movement to restore the caliphate with Farouk at its head has been in progress since early last year. The plan has been brought forward at various times as one means of restoring the unity of the Arab world, and particularly of settling the strife in Palestine.

Meanwhile, delegates to the Arab conference here today discussed a proposal to send Ragheb bay Nashashibi, leader of the Arab moderates, to the London negotiations in a consultative capacity rather than as a member of the delegation. The proposal is understood to have been put to Nashashibi, but no reply has yet been received.

Council Fails to Name London Delegates

JERUSALEM, Jan. 20. (JTA) -- After a day-long debate yesterday without action on the Jewish Agency's invitation to name three delegates to the forthcoming British-Arab-Jewish conferences in London, the Jewish National Council today issued a proclamation warning that the British Government's current policy of surrender to terrorism would bring additional disaster to the Holy Land.

ANTI-TOTALITARIAN BLOC FORMED BY 60 DEPUTIES IN HUNGARY

BUDAPEST, Jan. 20. (JTA) -- A group of opposition leaders and deputies today formed a united front to fight against the Government's alleged totalitarian tendencies and the extension of German influence in Hungary. The new group, to be known as "The Bloc of National Independence," includes the two most prominent opposition leaders, Tibor Eckhardt, head of the Independent Agrarian Party, and Count Stephen Bethlen, former Premier. Between 60 and 80 deputies have joined the group.

EXPANSION PROGRAM MAPPED AT MENORAH JOURNAL FETE

NEW YORK, Jan. 20. (JTA) -- Plans for an expansion program, involving special research projects by refugee authors in this country, were announced for the Menorah Journal last night at a dinner commemorating the 25th anniversary of the quarterly's founding. The dinner, held at the Hotel Astor, and attended by more than 300 authors, artists and supporters of the Menorah movement, is the first of a series planned throughout the country.

George S. Hellman, well-known art and literary critic, who presided, revealed that a fund of \$100,000 would be sought throughout the country for promotion and maintenance of the periodical. Part of the money raised, he said, will be used for honoraria to exiled authors who will be commissioned to carry out special research projects. Henry Hurwitz, editor of the Journal, predicted a possible Jewish renaissance from the present persecution. "That is the paradoxical way of the Jews," he declared. "And America is now clearly destined to be the center of such a renaissance -- we were Babylon and Spain and Western Europe in historic periods before."

Other speakers at the dinner included Dr. John Erskine, Columbia professor and author; Dr. Irwin Edman, author and professor of philosophy at Columbia; Dr. Heinz Liepmann, exiled author, and George Stevens, editor of the Saturday Review of Literature. A message from Governor Herbert H. Lehman, head of the honorary committee sponsoring the dinner, was read.

PAN-AMERICAN CONGRESS AT MONTEVIDEO TO AIR RACIAL PROBLEMS

NEW YORK, Jan. 20. (JTA) -- A Congress of Pan-American Democracies is being planned for the last two weeks of February in Montevideo to formulate a program of combating anti-democratic penetration of the Americas, it was announced today by the American Labor Party, which said it would be represented by its state chairman, Luigi Antonini. The conference, which will represent largely labor and liberal groups, will discuss as one of its principal questions racial problems and Fascism.

R.P. GOLDMAN RE-ELECTED HEAD OF TEMPLES BODY

CINCINNATI, Jan. 20. (JTA) -- Robert P. Goldman, of Cincinnati, was re-elected president of the Union of American Hebrew Congregations yesterday at the close of its 36th biennial council. (It was erroneously stated in yesterday's JTA NEWS that Alfred M. Cohen, who had been elected as president of the council, was elected president of the union.)

U.S. BROADCAST TO DRAMATIZE JEWISH CONTRIBUTIONS TO GROWTH OF NATION

WASHINGTON, Jan. 20. (JTA) -- Jewish contributions to the United States will be dramatized in a radio program sponsored by the Department of Interior on the Columbia Broadcasting System on Feb. 5 as part of the series entitled, "Americans All -- Immigrants All," the Office of Education announced today. The program is intended to show how Jewish immigrants, grateful to the country of their adoption, helped to finance the Revolutionary War and contributed their services in all subsequent American wars. It will feature the contributions of such persons as Samuel Gompers, David Lubin, Lillian Weld, Dr. Joseph Goldberger and Nathan Straus. The final episode will present Jews' contribution to art and culture in the work of Oscar Hammerstein, George Gershwin and Irving Berlin.

LATE BERLIN NEWS

BERLIN, Jan. 20. (JTA) -- The American and British Embassies early this evening jointly asked the Reich Foreign Office whether or not the negotiations with George Rublee on Jewish emigration will be continued despite the removal of Dr. Hjalmar Schacht as president of the Reichsbank. No immediate reply was received.

The joint demarche pointed out that the negotiations had been broken off at the very point when tangible results were expected. The Foreign Office was also reminded that Mr. Rublee is due in Paris for a meeting of officers of the Intergovernmental Committee on Monday and must leave Berlin on Saturday evening. Thus, it was pointed out, if anything is to be done before the January meeting of the full committee in London, it must be done within the next 24 hours.

The dismissal of Dr. Schacht at a critical point in the negotiations was understood to be intended to put the Rublee mission in an embarrassing position since it was made with full knowledge that the delegation had only a few more hours in Berlin. Despite this, the Nazis acted without thought of Jewish hopes or the ordinary courtesy to foreign delegations.

At the same time, the official news agency hinted obliquely that Dr. Schacht might continue the negotiations by pointing out that he had negotiated with Mr. Rublee during the past week and that although he had left his post as Reichsbank president, Chancellor Hitler has authorized him, as Minister Without Portfolio, to continue with "new tasks." While hesitant to accept the full implications of the news agency statement, neutral observers said that, from the Jewish viewpoint, things did not look as dark as they did earlier in the day.