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\$7,000,000 JEWISH AGENCY BUDGET OUTLINED AT LONDON PARLEY; IMPROVED PALESTINE ECONOMY NOTED

LONDON, April 26. (JTA) -- Signs of improvement in the general economic situation of Palestine were reported to a conference yesterday of West European Zionist leaders who were asked to consider a Jewish Agency budget of \$7,000,000 and were informed of plans to float a 20-year four per cent \$5,000,000 loan for development of the Holy Land. The budget requirements and the loan plans were outlined by Leo Hermann, co-director of the Palestine Foundation Fund, Zionist colonization agency, before West European members of the Zionist General Council and the Zionist Administrative Committee.

Stressing the constructive nature of the budget items, Mr. Hermann pointed out the need for a proportional increase in efforts which are to be covered by additional income from the United Jewish Appeal in the United States, with the deficit to be covered possibly by issuance of long-term debentures by the Foundation Fund.

Mr. Hermann reported that certain signs of improvement were visible in the general economic situation of the Holy Land. He revealed that further negotiations with the Britis Government were required to complete a \$2,500,000 transfer scheme arranged with Czecho-Slovakia before the German occupation and indicated that there was a possibility that the refugees might obtain capital from the \$20,000,000 British gift to enable them to go to Palestine.

The conference, over which Prof. Selig Brodetsky presided, discussed the plight of the Jews immigrating illegally to Palestine. Moshe Shertok, head of the Jewish Agency's political department, declared that while the Agency could not in any way associate itself with unauthorized immigration there was "deep significance in the unique phenomenon of shiploads of desperate refugees coming to Palestine as their only hope." Declaring the development was indicative of the conditions under which Jews were living in central Europe he said that it "shows that in the end nothing can prevent the Jews from returning to Palestine."

The conference adopted a resolution endorsing the stand of the Jewish delegation to the recent London conference on Palestine, which rejected a proposal to set up an independent Arab-dominated Palestine state.

As outlined by Mr. Hermann, the Jewish Agency budget includes the following provisions: \$1,000,000 for new settlements: \$1,000,000 for consolidation of 56 settlements start since the outbreak of the disorders three years ago; \$1,000,000 for consolidation of industry and trade: \$1,000,000 for public works and housing; \$625,000 for maritime work,

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including enlargement of the Tel Aviv port; \$500,000 for loans to the Jewish National Council and municipalities to be used in erecting new school buildings; \$625,000 for consolidation of the citrus industry and mixed farming; \$500,000 for security; \$250,000 for social services and \$1,000,000 to cover the Jewish Agency's \$350,000 deficit and repayment of loans.

15,000 JEWISH ARTISANS OUSTED IN 4 YEARS IN REICH

BERLIN, April 26. (JTA) -- Wholesale liquidation of Jewish artisan workshops, effected under the four-year plan, has affected more than 15,000 Jewish artisans throughout the Reich, according to official figures published by the Reich Corporation of Artisanship.

A total of 5,822 independent Jewish workshops existed in the Old Reich in December, 1938, and 9,538 in Austria in March, 1938. Between January and March, 1939, 545 workshops in the Old Reich and 940 in Austria were transferred to "Aryans," the remainder apparently unsaleable because ruined by previous boycott. At the same time it was revealed that more than 4,000 Jewish workshops had already been liquidated in the Old Reich between 1935 and 1938.

Released Jews Ordered to Emigrate

NEW YORK, April 26. (JTA) -- The thousands of German Jews who have been released from German concentration camps on condition that they emigrate have been notified that they must leave the Reich within the next two months or face return to the camps, New York Times Correspondent Otto D. Tolischus reported from Berlin today. The only Jews whose emigration is being discouraged are physicians, especially surgeons, and former German officers, who might prove useful in case of war, the dispatch said.

The larger part of the present Jewish emigration is "relations emigration," since the opportunities for others have been diminished by the progressive restriction on transfer of Jewish-owned property and the increasing disinclination of other countries to accept virtually penniless refugees. The present emigration rate from Great Germany, excepting the protectorates, is between 9,000 and 10,000 a month.

U.S. Halts Issuance of Visitors' Visas to Reich Jews

WASHINGTON, April 26. (JTA) -- The United States Government has halted the issuance of visitors' visas to German Jews. The State Department explained that applicants cannot obtain such visas from American consuls unless on the expiration of the visas they are permitted to return to their country of origin. Since Jews cannot go back to Germany, they are ineligible for such visas.

Reports from Paris earlier this week indicated that issuance of immigration visas to German Jews has been suspended because the quota, which runs until June 30, has been exhausted.

Pell Goes to Berlin

LONDON, April 24. (JTA) -- Robert Pell, vice-director of the Intergovernmental Refuge Committee, left for Berlin last night, it was learned today, for a short visit for further discussions with the German authorities on Jewish emigration. He is expected back this weekend.

REPORT FRANCE PLANNING TO LET REFUGEES WORK; PRESS HAILS CURB ON INCITEMENT

PARIS, April 26. (JTA) -- Newspapers of all shades of political opinion, with the exception of the anti-Semitic Action Francaise, today praised the Government decrees out-lawing racial propaganda in the press. At the same time they reported that the Government was planning action that would make it possible for many refugees not only to remain in France but to obtain labor and commercial permits which had hitherto been withheld.

The reports said the Government, realizing that other countries had been utilizing the initiative of aliens in building up their industries, had decided to issue residential permits and labor licenses to aliens who could prove they were qualified laborers, engineers and specialists useful to French industrial development in peacetime or defensive work in time of war. Similarly commercial permits would be granted to aliens who could prove that their projected industrial enterprises were useful under the same conditions. A special Government commission would be created to examine applicants to ascertain whether they worked in the same fields in their native countries.

The reports, indicating a new attitude by the French Government toward the refugees, were received with joy by many who could long have been useful to the country were it not for the alien residential and labor restrictions.

While all newspapers, including Col. Francois de la Rocque's Fascist Petit Journal editorially welcomed the anti-propaganda decrees, the Action Francaise was the lone critical voice. The anti-Jewish Royalist paper demanded that the Palestine Foundation Fund, Zionist colonization agency, and the World Jewish Congress be shut down under the decrees as foreign propaganda institutions.

Other newspapers, commenting on the new edicts, stressed that henceforth individual Jews or Jewish organizations need no longer deal with anti-Semitic defamation since the State Attorney was now authorized to prosecute on his own initiative. Le Figare approved the decrees "without reservation," declaring they were in the interests of national defense. Le Petit Journal commented that "religious and racial propaganda, inspired directly and indirectly from abroad, has long provoked disgust in France." L'Ordre hailed the action as "excellent and noble." L'Epoque declared: "Bravo! The Government did well by prohibiting racial propaganda." L'Ocurre voiced the hope that the decrees would eliminate the further appearance of anti-Semitic boulevard publications "which have shamed France."

Berlin dispatches said the German press violently attacked the decrees.

Broun, N.Y. Post Hit Paris Decrees

NEW YORK, April 26. (JTA) -- The French decrees outlawing racial propaganda in the press constitute a blow to democracy, Heywood Broun said today in his nationally syndicated column, "It Seems to Me," published by the New York World Telegram. The N.Y. Post also editorially condemned the action, terming it "inordinately dangerous."

Declaring the French were "doing the cause of democracy little good by clamping down a strict censorship upon their press," the columnist, who is also president of the American Newspaper Guild, continued: "Tolerance is a superb ideal, but there is no surer way of encouraging bigots than to tell them that they may not be heard. In America the Klan was dangerous when it was cloaked, and fell to pieces when the saps within its ranks unmasked. And the same thing is true of anti-Semitism in this country. Those who promote it should be encouraged to stand up and show themselves. It is much easier to defeat a trumpeting campaign than one which whispers."

The Post's objection to the anti-propaganda decree was based on the argument that "some official must decide what constitutes 'foreign propaganda'," thus giving "power of life and death over the press." The paper, declaring the "Jew-defamers" and the "breeders of disunity" were active in America, offered a five-point program to combat them without impinging on civil liberties. The program includes a ban on political uniforms and drilling by political groups; punishment of racial incitation as an incitation to violence, with trial by jury; punishment of racial boycotts as a conspiracy to restraint of trade and compulsory registration of representatives of foreign instrumentalities including declaration of any foreign subsidies.

BRITAIN PROMISES TO EXAMINE RUMANIAN EMIGRATION QUESTION

LONDON, April 26. (JTA) -- Foreign Minister Grigore Gafencu of Rumania, in his conversations with the British Government, received a promise that London would examine proposals for Jewish emigration from Rumania, it was understood today. The assurances were said to be similar to those given to Foreign Minister Josef Beck of Poland.

Polish Ambassador Count Raczynski saw Mr. Gafencu yesterday and the Polish-Rumanian Jewish emigration problem is believed to have been one of the subjects discussed. In diplomatic circles it is believed that there will not be concrete developments on this question for some time.

It is considered most likely that Poland and Rumania will consult between themselves to reach agreement on a policy of Jewish emigration, but that their conversations with the British Government will be conducted separately. The question is described as complex and it is indicated that the conversations are likely to be protracted.

U.S. MUST GIVE EXILES HAVEN UNTIL FREEDOM RETURNS TO REICH, ICKES ASSERTS

NEW YORK, April 26. (JTA) -- The United States must welcome exiled scientists and artists and benefit from their contributions until "the bright ray of freedom" breaks through in Europe's totalitarian states, Secretary of Interior Harold L. Ickes declared tonight at a dinner in his honor given by the American Guild for German Cultural Freedom.

Attacking the racial theory as "neo-barbarian" and the "marsh light of a dictator," Mr. Ickes contrasted the intolerance "in certain countries in Europe today" with America's utilization of the talents of people from many races and cultures and concluded by quoting Thomas Jefferson's prophecy that the flames of freedom would "consume the feeble engines of despotism."

Mr. Ickes spoke at the Hotel Waldorf-Astoria to an audience gathered to honor him for his "brave and forthright stand against dictators, on behalf of civil liberties and freedom of speech and assembly." The speech, entitled "Culture Requires Freedom," was broadcast over an NBC network. Other scheduled speakers were Alvarez del Vayo, Spanish Republican Foreign Minister; Thomas Mann, Prince Hubertus zu Lowenstein and Stanley Richardson, representing the Archbishop of York.

The Secretary of Interior was the second Cabinet member within two days to speak of tolerance towards immigrants. Secretary of Agriculture Henry A. Wallace, chairman of the United States New York World's Fair Commission, welcoming foreign government exhibitors at

a dinner last night, stressed American tolerance "toward all races and creeds." He said the United States had found it possible to make the peculiarities of various races and cultures "a source of strength to a united state."

Mr. Iokes, rejecting the dictators' idea of a specially-designated race, declared that "we are the splendid amalgam of every European people, including those whose governments now claim exclusive purity." Pointing out that Germany alone had enriched the United States with 400 scientists, artists and men of letters in the last six years, he termed their exiling a "tragic commentary upon twentieth century civilization" and stressed that the United States must see to it that it could always welcome such immigrants.

"They are thrice welcome here as kindred civilized beings," he declared. "We are proud and gratified to have them make their home with us where they can live and work in an atmosphere of freedom. They have witnessed scenes of desolation and terror; their startled eyes have seen what happens to culture and to all the sacred values of civilization when a sterile and brutal intelligence is permitted to make a litter of the rights of humanity; a shambles of the fruits of the spirit. They have seen the devastating results that follow the assassination of character, the murder of culture, the strangulation of the spirit and even the torture of human bodies. And having seen, it is natural that they should come to us, rededicated to the ideal of freedom and democracy, as it is natural that we should welcome them as the inheritors of a common culture, as guardians of the spirit of civilization.

"These scientists and artists and men of letters are living reminders of the ancient truth that even the most powerful tyrant cannot kill the soul of man. The tyrant represents only the nether spirit of his country. Under a tyranny the best and noblest of a people submerge or go into exile. Those in retirement bide their time until the bright ray of free dom again breaks through the lowering clouds, as in due course it will do even in the totali arian states of Europe. Those in exile carry on, despite privations and obstacles, as true soldiers of the spirit. They keep alive the sacred fire of their culture on foreign shores and wait for the day of liberation to come. In the meantime, we, the hosts of so many of these men of the spirit, are the gainers, benefiting from their skill, and learning from their wisdom and their experiences. And as hosts of precious guests, we must not forget the obligations of hospitality; we must do all that lies in our power to contribute to the welfare and happiness of those who honor us with their presence."

REICH REPORTED HIRING OUSTED HUNGARIAN JEWISH ENGINEERS

LONDON, April 26. (JTA) Budapest dispatches said today that the Hungarian Government was permitting Jewish engineers who had lost their jobs under the numerous clausus law to take employment with German industrial firms. The action was said to be the result of a shortage of technicians in Germany. Several Jewish engineers were reported to have left for Germany to take up posts. One chemical engineer was said to have been engaged by an important chemical factory in Dusseldorf at a salary of \$200 a month.

BULLETIN

Britain to Deduct Illegals from Palestine Entry Schedule

LONDON, April 26. (JTA) - The number of Jewish immigrants who illegally enter Palestine and who cannot thereafter be expelled will be deducted from future immigration schedules, Colonial Secretary Malcolm MacDonald declared in the House of Commons today. The Government is "taking a serious view of the situation" and is determined to halt further illegal infiltration of Jews into Palestine, Mr. MacDonald said.