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ISRAEL FINANCE MINISTER SPIKES RUMORS OF INTENDED NATIONALIZATION OF INDUSTRY

JERUSALEM, Dec. 27. (JTA) -- Rumors that the Government of Israel would nationalize industry were publicly and categorically denied last night by Finance Minister Eliezer Kaplan in an address before the Knesset. He also denied that the government has advised potential investors to seek partnership with Eistadrut enterprises.

Introducing a bill in the Israel parliament to encourage private initiative and foreign capital investment in Israel, Mr. Kaplan disclosed that Israel's expenditures during the past eleven months totalled 80,000,000 pounds, of which 90 percent was spent for imports. Income during the same period, he added, was also 80,000,000 pounds, of which approximately half was derived from national funds, private enterprises and other sources.

The Israel Finance Minister added: "Our pound's real value increased in this period and signs of deflation were observed." He also outlined a series of measures aimed at encouraging foreign capital investment in the Jewish state, including reduction of various taxes. He revealed that negotiations are under way with the U.S. and Britain for a bilateral agreement to prevent investors from paying double income taxes.

Official and banking circles in Israel were unperturbed today by a reported drop in Israel pound quotations on the Zurich, Switzerland, free market. The pound was reported last week as selling at a rate of one to \$1.64, instead of the official ratio of one to \$2.80. The Swiss decline was attributed here to local causes, chiefly the large-scale smuggling of Israel notes abroad.

Israel Needs \$280,000,000 in 1950 to Carry Out Development Plans

During his speech in the Knesset, Finance Minister Kaplan said that Israel would need 100,000,000 pounds--about \$280,000,000--in foreign exchange during 1950 to realize the government's development program, with about ninety percent of the currency needed for imports. He emphasized that the special privileges provided for in his bill would be granted equally to foreign and local investors for enterprises recognized as "confirmed establishments."

Negotiations are now going on with the Israel Government for the gradual transfer to Israel of the Telsen Electric Company of Manchester, England, one of the largest British producers of bakelite accessories and electrical appliances.

The proprietor of the concern said here today he was convinced that he could sell Telsen products made in Israel as easily as those produced in Britain, especially for the markets in India, South Africa, Rhodesia and southern Europe, where freight costs would be cut by the shorter distances.

RELATIONS BETWEEN ISRAEL AND TRANSJORDAN CONTINUE TO IMPROVE; NEW TALKS HELD

JERUSALEM, Dec. 27. (JTA) -- Relations between Israel and Transjordan have further improved to the extent that cultural and educational problems affecting both were discussed at a special meeting of representatives of both states, it was announced today.

**Jews in Israel asked to shelter children suffering from heavy rains in camps**

TEL AVIV, Dec. 27. (JTA) -- The Jewish Agency made a dramatic appeal to citizens of Tel Aviv to receive in their homes for one or two months the children of immigrants who are still in the tent shelters & the reception camps which have been suffering in the torrential rains.

The Agency warned that the dampness prevailing in the tents might lead to epidemics of illness. It proposes to pay the host families six pounds--about \$16.80--a month for the care of each guest child, the equivalent of the cost of maintenance in the camps. Each child will undergo medical examination prior to leaving camp.

Educational bodies agreed to take all such transferred children. The Ministry of Supply assumed responsibility for additional distribution of food supplies for the billeted children.

**ISRAEL-AMERICA LINE ACQUIRES TWO NEW SHIPS; WILL INCREASE NUMBER OF FREIGHTERS**

TEL AVIV, Dec. 27. (JTA) -- Two citrus-carrying freighters to ply between Israel and west European ports have been acquired by the Israel-America Line, it was announced today. These bring the total to four for citrus shipping and plans have been made to increase the fleet to six vessels.

One of the new ships, previously called the George, will be named Hadar. It was built this past summer in Britain for an American company and has a capacity of 4,000 tons, a speed of 13 knots and special ventilation for citrus cargoes. The second freighter is still docked in Stockholm. It has a capacity of 3,000 tons and is a speedy, diesel-powered vessel.

**PARIS MEETING PROTESTS INTERNATIONALIZATION OF JERUSALEM; AID OF U.S. JEWRY LAUDED**

PARIS, Dec. 27. (JTA) -- A meeting protesting the United Nations decision to internationalize Jerusalem was held here last night under the auspices of the General Zionist Organization of France. The "eternal link" between Jerusalem and the Jewish people was emphasized by all speakers.

The role played by the American Jewish community in the upbuilding of Israel was emphasized today by Berl Locker, chairman of the Jerusalem executive of the Jewish Agency, at a reception tendered in his honor by the Agency here. Mr. Locker said the principal tasks facing Zionists in the coming year are the organization of the masses of the Jewish people behind efforts to aid Israel, setting up of Chaiutz-training programs and directing mass immigration of Jews to Israel.

**NUMBER OF JEWISH DE'S DECREASES IN EUROPE; THEIR EMIGRATION TO ISRAEL IS DECLINING**

GENEVA, Dec. 27. (JTA) -- The number of Jewish refugees under the care of the International Refugee Organization decreased to 35,598 by the end of October, according to the latest official statistics released here today.

The I.R.O. figures also show that the Jewish displaced persons whom it supported became a relatively minor factor as regards immigration to Israel. In the whole month of October, only 812 departures to Israel were registered, bringing the total transferred to the Jewish state since July, 1947, to 115,131 persons.

JEWISH ORGANIZATIONS PROTEST ESTABLISHMENT OF JEWISH RESTITUTION BANK IN GERMANY

MUNICH, Dec. 27. (JTA) -- The Jewish Agency office here and the office of the Central Jewish Committee in the American zone of Germany today issued statements expressing opposition to the recently-formed Jewish Restitution Bank.

The Jewish Agency statement protested particularly against the attempt to invest Jewish indemnification funds in the German economy. Such funds, when invested in the newly-formed Bank, cannot be transferred abroad under existing currency regulations.

The Central Jewish Committee claimed that the title of the Bank is misleading since no responsible Jewish organization participates in the bank's administration. The Committee emphasized that Dr. Klibansky and Dr. Siegfried Morgenbesser, who were named board members of the bank, do not represent the Jews in Germany.

Replying to the statements issued by the Jewish Agency and the Central Jewish Committee, Dr. Philip Auerbach, Bavarian Commissioner for Persecutees, said that although the Jewish Restitution Bank does not represent Jewish organizations, German Jews have their representatives on the bank's board of directors. The Central Jewish Committee will soon be dissolved, he said, adding that its competence extends only to Jewish displaced persons.

"The Bank," Dr. Auerbach stated, "has been established as a medium of assistance for Jewish businessmen who wish to remain in Germany. Since the Central Jewish Committee desires the emigration of Jews from Germany, it is attempting to discriminate against those remaining in the country." (In New York, it was learned today that the Joint Distribution Committee several weeks ago issued a statement disassociating itself from the Jewish Restitution Bank, which is known in Germany under the name of Juedische Wiedergutmachungs Bank.)

JEWS IN BRITISH ZONE OF GERMANY OPPOSE FORMATION OF JEWISH OFFICE BY BORN GOVERNMENT

LUEBECK, Germany, Dec. 27. (JTA) -- The Central Jewish Committee in the British zone of Germany today issued a statement denying a report from Munich that it has agreed to the establishment of an Office on Jewish Affairs to advise the West German Government in Bonn on matters concerning Jews in the American, British and French zones of Germany.

"Our Committee is in agreement with the representative organs of the Jewish communities in the American zone which categorically rejected the setting up of an office on Jewish Affairs with the federal government; therefore, no candidates have been nominated for such an office by any representative Jewish body in the British zone," the statement said.

RESTITUTION IN GERMANY HELD IN DANGER; U.S. COMMISSIONER'S ASSURANCE SOUGHT

NEW YORK, Dec. 27. (JTA) -- Declaring that "there is no doubt that restitution in Germany is in danger," the Axis Victims League, an American association for restitution and for compensation of rights and interests to Axis victims, today made public a statement requesting the U.S. High Commissioner in Germany to give public assurance to Nazi victims that the policy proclaimed by the Allied Governments during and after the war with respect to restitution and compensation remains unchanged.

The League also requested the British and the French High Commissioners and the Kommandantura of Berlin that boards for restitution matters be placed into operation as soon as possible, similar to, or identical with, the U.S. board. Simultaneously it urged that "in the interest of the cause of justice and humanity, restitution laws be published in the eastern zone of Germany and the Eastern Sector of Berlin, giving damaged people living abroad the same rights" enjoyed by those living in the Russian-administered parts of Germany.

PROF. EINSTEIN EVOLVES NEW THEORY ON UNIVERSE; WORKED THIRTY YEARS ON CONCEPT

NEW YORK, Dec. 27. (JTA) -- Prof. Albert Einstein has evolved a new theory which is termed even more revolutionary than his famous relativity theory, it was reported here today.

The new theory, described by Dr. Einstein as a "generalized theory of gravitation," will be published in February by the Princeton University Press. It will permit a mathematical explanation of the entire universe by means of a few short equations.

The new concept is an effort on the part of the seventy-year-old scientist to crystallize the unified field theory, which he put forward in 1929. The unified field theory, not yet verified, would explain with one set of laws the actions of both the universe and the atom, both magnetism and gravitation. For thirty years, ever since he explained the general relativity theory, Dr. Einstein has been trying to extend this theory so as to interrelate electromagnetism and gravity.

A Princeton University Press statement quoted Dr. Einstein as saying recently that his latest theory was "highly convincing" and a scientist close to Dr. Einstein said yesterday that the new equations were "more satisfactory" than any of his previous attempts at formulating the unified field theory. Dr. Einstein's formulation runs to twenty typewritten pages, at least a third of which are intricate mathematical equations. The symbols are those of relativity and cannot be explained in terms of everyday mathematics.

Dr. Einstein said: "I shall present an attempt at the solution of this problem (the unification of gravitation with electromagnetism), which appears to me highly convincing, although due to mathematical difficulties, I have not yet found a way to confront the results of the theory with experimental evidence."

CANADIAN FOREIGN MINISTER EXPLAINS OPPOSITION TO INTERNATIONALIZATION OF JERUSALEM

OTTAWA, Dec. 27. (JTA) -- Replying to criticism of Canadian Government action in opposing the resolution for internationalization of Jerusalem, Lester B. Pearson, Minister for External Affairs, in a public statement declared that his government has no reason for apology because in his opinion the U.N. General Assembly's decision to internationalize Jerusalem in order to protect the Holy Places was unrealistic.

In the Political Committee, he said, the Canadian delegation had abstained from voting on the proposal since Canada was not opposed to the principle of establishing international control necessary to protect the Holy Places. In the plenary session, Canada voted against the Australian proposal for internationalization, which was adopted, as unrealistic, he stated. Mr. Pearson noted that Canada had been ready to vote for a resolution put forward by the Netherlands and Sweden which provided for internationalization only of the Holy Places.

The Australian resolution was based on the situation in 1947 which envisaged the internationalization of Jerusalem in the general partition plan and in plans for an economic union, Mr. Pearson said. Today, he pointed out, the situation had completely changed and any such plan would obviously bring resistance by the two occupying parties.

SEVERAL HUNDRED JEWISH DISPLACED PERSONS ARRIVE IN U.S.; MORE DUE THIS WEEK

NEW YORK, Dec. 27. (JTA) -- Several hundred Jewish displaced persons from Europe arrived in the United States during the past week-end, while several hundred others are scheduled to land in the United States this week. Representatives of the United Service for New Americans and HIAS welcomed the new arrivals when their vessels docked here.

ISRAELI ENVOY TO BRITAIN IS TENDERED OFFICIAL RECEPTION AT GLASGOW CITY HALL

GLASGOW, June 1. (JTA) -- Israeli Minister to Britain Dr. Mordecai Eliash was tendered a reception here at the City Hall. Leading civic officials participated in the official welcome extended to the Israeli representative.

Dr. Eliash was the guest of honor at a series of receptions given in his honor by the Jewish community of this Scottish capital. He was also the principal speaker at a meeting called by the Jewish Representative Council of Glasgow at which he conveyed Israel's greetings to Scottish Jewry.

VICE-PRESIDENT BARKLEY, AMBASSADOR ELATH RECEIVE HONORARY DEGREES FROM DROPSIE COLLEGE

PHILADELPHIA, June 1. (JTA) -- Vice-President Alben W. Barkley and Israeli Ambassador Eliahu Elath received honorary degrees tonight at the commencement exercises of Dropsie College for Hebrew and Cognate Learning. Vice-President Barkley received the degree of Doctor of Humane Letters and Ambassador Elath the degree of Doctor of Laws. Degrees were also conferred upon four graduates of the 1949 class.

In his address, Ambassador Elath expressed the belief that "cooperation between Israel and its Arab neighbors is not only possible, but will be achieved in the future." Such cooperation, he said, was not possible so long as the Arabs were determined to expel the Jews, and so long as they believed that by military action they would be able to achieve what they had failed to do by political means. "Now Israel is an independent state and can deal with its neighbors on an equal basis," he added. "After the Arabs have become reconciled to the fact of Israel's existence, common interests will come into the foreground."

Emphasizing that Israel and the neighboring Arab countries have many common interests, the Israeli Ambassador said: "In fact, the economy of Israel and that of the Arab states are largely complementary. Israel has to import the majority of its food and raw materials from abroad. Much of these used to come from the neighboring countries of the Middle East. During the period of the Mandatory rule over 95 percent of the total exports of Transjordan, for instance, went to Palestine and the major portion of them was bought by the Jewish community."

Ambassador Elath also pointed out that Israel's industries normally have a large market in the Arab countries. He also stressed the fact that the ports of Israel are the main outlet for Transjordan and will, in normal times, play an important role in the export and import trade of Iraq and southern Syria. The electrification of the Arab parts of Palestine and of Transjordan and large-scale irrigation schemes for the Jordan Valley, will benefit Transjordan and Arab Palestine, as well as Israel, he stated.

B'NAI B'RITH PRESIDENT PRESENTS ISRAELI AMBASSADOR WITH HISTORIC "TRUMAN PEN"

BOSTON, June 1. (JTA) -- One of the three pens with which President Truman signed the announcement of the de jure recognition of Israel was formally presented last night by Frank Goldman, president of the B'nai B'rith, to Ambassador Eliahu Elath of Israel at a banquet attended by 2,000 delegates to B'nai B'rith's District 1 convention here.

Ambassador Elath, who is leaving for Tel Aviv on June 4, said he would take the pen to Israel and place it with other historic state possessions in the National Archives of the Jewish state.

MAYOR O'DWYER PROCLAIMS JUNE "U.J.A. MONTH" FOR NEW YORK AT CITY HALL CEREMONY

NEW YORK, June 1. (JTA) -- Mayor William O'Dwyer officially proclaimed June as "UJA Month" for New York at a ceremony yesterday at City Hall. The Mayor's proclamation urged New Yorkers "to support the life saving and humanitarian work of the United Jewish Appeal of Greater New York," citing the Appeal's achievements in bringing an end to despair and suffering for hundreds of thousands of Jews throughout the world.

EMERSON RADIO COMPANY MAY SET UP RADIO MANUFACTURING PLANT IN ISRAEL, PRESIDENT SAYS

NEW YORK, June 1. (JTA) -- The Emerson Radio and Phonograph Corporation may soon establish the first radio manufacturing plant in Israel, Benjamin Abrams, president of the company, revealed here yesterday at a press conference. He added that the project is still in the discussion stage.

Mr. Abrams, treasurer of the Joint Distribution Committee, has just returned from a trip to Israel and various European countries. Commenting on what he saw during his tour, he said that Israel was the most promising area for business of any he had seen. He cited the abundance of skilled technicians and the wage rates as factors which make Israel a favorable location for a radio plant.

N.Y. PHILANTHROPIST GIVES \$50,000 FOR STUDY OF ANCIENT SYNAGOGUES IN NEAR EAST

JERUSALEM, June 1, (JTA) -- A systematic and thorough investigation of the remains of ancient synagogues in the Near East has been made possible through a donation of \$50,000 for this purpose by Louis Rabinowitz, New York philanthropist, to Prof. Eleazar Sukenik, leading Israeli archaeologist, it was announced here today.

J.W. WUNSCH ELECTED PRESIDENT OF AMERICAN TECHNION SOCIETY FOR THIRD CONSECUTIVE TERM

NEW YORK, June 1. (JTA) -- J.W. Wunsch, consulting engineer, was elected president of the American Technion Society to serve for a third consecutive term, it was announced today by Judah Wattenberg, executive director of the organization. At the same time, the Society made known that its expanded program of activity will include a larger measure of aid to Israel through formation of a new industrial and technological committee.

WEISGAL HONORED PRIOR TO DEPARTURE FOR ISRAEL; WILL TAKE UP PERMANENT RESIDENCE

NEW YORK, June 1. (JTA) -- Over 500 friends and associates of Mayer W. Weisgal, executive vice-chairman of the American Committee for the Weizmann Institute of Science, attended a testimonial dinner tonight for Mr. Weisgal at the Waldorf-Astoria Hotel prior to his departure for Israel where he will establish permanent residence. The speakers included Louis Lipsky, Judge Morris Rothenberg, Dr. Nahum Goldmann, and Dewey D. Stone.

ISRAELI EXHIBITION OPENS IN RIO DE JANEIRO; BRAZILIAN SCIENTISTS, LEADERS ATTEND

RIO DE JANEIRO, June 1. (JTA) -- An Israeli exhibition opened here today with leading Brazilian scientists and cultural leaders in attendance. Brief addresses hailing the event were delivered by Dr. Samuel Mamami, honorary Israeli consul here, and officials of the United Israeli Campaign and the Jewish National Fund. Messages of felicitations were also received from President Chaim Weizmann and Foreign Minister Moshe Sharett of Israel.

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