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JTA Daily News Bulletin

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LAST MINUTE NEWS

ISRAEL CABINET CRISIS RESOLVED; WEIZMANN TO ASK BEN GURION TO FORM NEW CABINET

JERUSALEM, Oct. 29. (JTA) -- The first Cabinet crisis in Israel--which began two weeks ago today with the resignation of Premier David Ben Gurion and his coalition Cabinet--was resolved today. A joint statement from the Mapai and Religious Bloc parties was scheduled to be issued tonight, at which time President Chaim Weizmann will entrust Mr. Ben Gurion with the formation of a new, 13-member Cabinet.

Speakersmen for the Mapam and Herut parties--the extreme left and extreme right, respectively--told the Jewish Telegraphic Agency that although they will cast a vote of non-confidence in the new coalition, they conceded that the new body "commands a comfortable majority" in the parliament.

Meanwhile, Religious Bloc leaders Rabbi I.M. Lewin and Moshe Shapiro--Ministers for Social Welfare and Immigration, respectively, in the defunct Cabinet--informed the J.T.A. that "since the Mapai has yielded to the Religious Bloc's demands," leaders of the Orthodox community decided that the Religious Bloc Ministers should return to the Cabinet. The Orthodox Bloc stressed, however, that "no coercion will be exercised on new immigrants so they may choose their own way of life."

The new Cabinet will include Jack Gering, financial expert from South Africa, and Pinhas Lubianiker, secretary-general of the Histadrut. Zalman Shazar, who served as Minister of Education, will be appointed Ambassador to Moscow, succeeding Mordecai Namir (see P.5). Mr. Gering will become Minister of Trade and will also be responsible for sections of the dissolved Supply Ministry; David Remez, who was Minister of Communications, will assume the Education portfolio, while Dr. Dov Joseph, former Supply Minister, will replace Mr. Remez. Mr. Lubianiker will be named Minister of Production.

Earlier, a statement issued by the Mizrahi said that it will not join a renewed coalition Cabinet and will refrain from voting for a coalition, because it believed that it is not capable of bettering Israel's economic situation. At the same time, the Mizrahi statement pledged the organization's remaining in the Religious Bloc.

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WASHINGTON CONFERENCE APPEALS TO U.S. JEWRY FOR \$50,000,000 FOR ISRAEL IN TWO MONTHS

WASHINGTON, Oct. 29. (JTA) -- A call to American Jewry to supply Israel, through the U.J.A., with \$50,000,000 in 60 days to meet the urgent needs of the country was issued here today at the closing session of the four-day National Planning Conference for Israel and Jewish Rehabilitation attended by 1,200 leaders from all parts of the country and by representatives of all major Jewish organizations in the United States. The Conference also urged Jewish communities throughout the country to immediately initiate the United Jewish Appeal drive for 1951.

A declaration endorsing "as eminently practicable and fully attainable" the proposals adopted recently in Jerusalem to raise \$1,500,000,000, of which \$500,000,000 will be furnished by the people of Israel, for a three-year program for consolidation and development of Israel's economy, was unanimously adopted at the closing session. Edward M.M. Warburg, chairman of the Joint Distribution Committee, presided.

1,200 Delegates Endorse Four-Point Program of Aid to Israel

The resolution adopted by the 1,200 delegates at today's session reads:

- "1. We believe that the American people, which is seeking to strengthen the forces of democracy in every corner of the world, is eager to aid Israel as a land of affirmative democratic leadership and high moral inspiration. We therefore urge the Government of the United States to help Israel through grants-in-aid, loans and through other forms of financial support that have been mobilized by our government to further the cause of democracy everywhere.
- "2. Our generation has the historic opportunity of completing the redemption of hundreds of thousands of Jews from lands where their political and economic status is precarious and their right to live freely as Jews is restricted or denied. The United Jewish Appeal, commanding the support of all American Jews, has been, and must continue to be, our most potent weapon in the rescue of hundreds of thousands of our people, their rehabilitation in many lands and the settlement of the vast majority in Israel. This Conference therefore calls on all American Jews to greatly intensify their efforts on behalf of the United Jewish Appeal so that there shall be made available the increased funds required for rescue, transportation, reception and the initial stages of settlement in Israel.
- "3. The funds available through the United Jewish Appeal can meet at most only basic relief and initial resettlement needs. Therefore, the conference calls upon the Jews of the United States to provide other resources to enable Israel to realize its great opportunities for the complete absorption of the newcomers through its industrial and economic and agricultural development. With full confidence in Israel's capacity to achieve economic stability and self-sufficiency and to fulfill all obligations it will assume, we pledge our fullest cooperation for the success of any effort that will be made by the Government of Israel to float a public loan in the United States as a means of obtaining funds for the financing of its constructive programs.
- "4. The progress which Israel has already registered in the development of its economic structure and the favorable conditions created by the Government of Israel

for private investment should be made the basis for increased efforts to encourage American investors to participate in the expansion of business enterprises which can bring profitable returns, and also serve as a vital factor in Israel's attainment of self-sufficiency.

"We call for the mobilization of all forces of American Jewry and the support of the entire American nation on behalf of this program, inspired by the example of the people of Israel itself. Deeply aware of the magnitude of our responsibilities, we accept them with confidence."

The statement approving the Jerusalem decision was presented to the Conference by Rudolph G. Sonneborn, chairman of the United Palestine Appeal board. The plea to realize \$50,000,000 in cash for the U.J.A. before the end of the year was presented to the conference by Moses A. Leavitt, executive vice-chairman of the J.D.C. It proposed the following avenues to be pursued in securing the above sum:

1. Payment of outstanding pledges of the previous year's U.J.A. campaign, "requiring the most intensive cash-collection effort within each city;" 2. Cash payments on account of forthcoming 1951 pledges; 3. Bank borrowing; 4. Loans from other Jewish organizations in communities which may have funds available which are not immediately needed; 5. The making of loans by an individual or a group of individuals in each community on their personal endorsements, to be repaid from present accounts receivable or proceeds of the forthcoming campaign; 6. Such other methods as will be best suited to the situation in each city.

Delegates Bring \$5,650,000 to Conference for U.J.A.

As a demonstration of their understanding of the urgent needs of the United Jewish Appeal, representatives of Jewish communities brought checks totalling \$5,650,000 toward the goal of \$50,000,000 in cash to be attained before the end of this year.

Abba Eban, Israel Ambassador to the U.S., said that Israel must achieve economic self-sufficiency despite the Arab blockade and economic boycott. Stressing that his country is definitely on the road to success in freeing itself of its dependence on food and other vital supplies from abroad, Mr. Eban warned that by "the time the neighboring Arab world wakes up, we shall have achieved a solid and secure status of self-support and shall have found our markets elsewhere." He added, however, that Israel is at all times ready for the closest regional cooperation as soon as its neighbors make this possible.

Mr. Eban predicted a closer relationship between the U.S. and Israel and characterized the speech delivered by Secretary Snyder as "an important landmark in the future of this relationship." Israel's efforts to vindicate democracy in a crucial part of the world, he said, deserves the active support of all elements for its economic consolidation.

Leon Keyserling, chairman of President Truman's Council of Economic Advisers, who was the principal speaker at the final session of the Conference, echoed the confidence expressed at an earlier session by Treasury Secretary Snyder on the economic potential of Israel. He warned, however, that it would be a misconception to believe that because Israel is ready to stand on her own feet economically, she can stand alone without the cooperation and aid of the U.S.

Mr. Keyserling expressed confidence in the ability of American Jews to achieve

success in the three-year program to obtain \$1,000,000,000 for the consolidation of Israel's economy. He emphasized that Americans should welcome participation in the effort to build up the economic strength of the Jewish state so that it may make its most effective contribution to the preservation of the free world. He said in the struggle to strengthen democracy, Israel should be considered "our junior partner."

Jews of Israel Do Not Want to Be Objects of Charity, Mrs. Myerson Says

The Jews of Israel do not want to be the objects of charity, Mrs. Golda Myerson, Israel Labor Minister, told the conference last night. She said Israel has already achieved a state of development, "where we have the potential to borrow funds and by our own labor and resourcefulness, repay every penny."

Mrs. Myerson emphasized that the Jews of Israel "do not ask for any free ride to economic or political security." She said: "As long as hundreds of thousands of Jews continue to flock to our shores, we must have the generous help of American Jews to receive and care for them. But, it is our firm resolve to free ourselves at the earliest moment of any dependence on philanthropy."

Mrs. Myerson observed that the austerity regime has not been lightened and predicted that there would be no improvement in the immediate future in the rationing of food, clothing and other articles. However, she said that despite the fact that Israel has admitted almost half a million immigrants in the past two-and-a-half years, "there is practically no unemployment in the country."

Henry Morgenthau, Jr., general chairman of the U.J.A., told the conference that Israel is a "going concern with almost unlimited possibilities for expansion." Like any business, he added, "it must have additional capital to achieve its maximum growth."

He reported also that "the problems which I found in Israel are both real and serious. There is no denying that the people of Israel are at a very grave turning point in their history. But in the midst of great crisis and sacrifice I was amazed by the remarkable spirit of hope and the tremendous tempo of building and pioneering that one can see in every section of the country."

Dr. Nahum Goldmann, chairman of the American section of the Jewish Agency, warned the Conference against what he described as completely unjustified complacency in present-day Jewish thinking, pointing out that "a fundamentally unregenerated Germany is moving rapidly once again to a position of great power, potentially once again the center of organized anti-Semitism in the world."

He added: "Only a few years after the defeat of Nazism, we see indications of new anti-Semitic movements, not only in countries where anti-Semitism is one of the chronic diseases, but even in the Western hemisphere." So long as the world remains unstable, he warned, "Jews will become scapegoats for all kinds of demagogic and political movements and anti-Semitism as a slogan will be widely used in the fight against Communism." The establishment of Israel is not an end in itself, but is "merely the forging of an instrument for solving the problem of Jewish homelessness," he said. The "Jewish people must begin to be anxious and worried about Israel, not only proud and happy," he added.

Jacob Blaustein, president of the American Jewish Committee, declared that U.S. financial assistance to the Jewish state is "both justified and necessary." The

recent statement by Prime Minister Ben Gurion on the relationship of Israel to the Jews of the U.S. and elsewhere removes the basis for confusion and misunderstanding, and should lay the foundation for a united support of Israel by American Jewry," he said, adding that "as Americans and as Jews, we are gratified to observe that Israel is building a genuine democracy and that the Israel people will not accept any dictatorship or totalitarianism from either within or without."

Mr. Blaustein said there is no "contradiction between strengthening Jewish communal, cultural and religious institutions in the U.S. and at the same time aiding Israel in a substantial and effective way. The various Jewish organizations in the U.S. should follow their own traditional scope of activity and special competence in rendering every assistance they properly can, within the framework of American interest, to the new state," he added.

Mr. Warburg called attention to the fact that with the funds provided by the U.J.A., the Jewish Agency and the J.L.C.--in cooperation with the Government of Israel--are carrying on a program of "modern, up-to-date welfare care" for the "hard core" immigrants.

Asserting that Israel can complete the process of the resettlement of hundreds of thousands of Jews within the next several years, Dr. Irving Miller, president of the American Jewish Congress, pledged the fullest cooperation of his organization to the three-year program for the "absorption of large-scale immigration and for the development of the economy of Israel during the next three years."

U.S. Treasury Secretary Says Israel's Economic Potential Is "Limitless"

U.S. Secretary of the Treasury John Snyder told the delegates that Israel's economic potentialities "appear limitless" and that the new state can look forward to a "secure and prosperous future." Mr. Snyder added that the Jewish state "has undertaken a vigorous program in support of individual freedom and progress." Israel's plans for irrigation, afforestation, soil improvement and building of schools and highways "recall to Americans our own pioneering days," he said.

Berl Locker, chairman of the Jewish Agency in Jerusalem, told the delegates that "while we appreciate what the Jews of the world, and particularly the Jews of America, have done, it has not been enough." He said: "So far Israel has admitted a half-million Jews. The cost of immigration, absorption and settlement of a single immigrant is reckoned at \$2,500. That means \$1,250,000,000 which should have been shared proportionately between Israel and the rest of the world. Actually, since the day of statehood, only \$300,000,000 has come into Israel from the rest of the world."

Stressing recent accomplishments, including the reduction of the population in immigrant camps within the last 12 months from 100,000 to 50,000, Levi Eshkol, Agency Treasurer, told the parley that the camp inhabitants may number only 25,000 in a few months. He said the agricultural program was projected within the framework of a contemplated population in Israel of 2,000,000 within a few years.

All 1950 emigration funds have been exhausted and 35,000 Jews stranded in Eastern Europe and Arab lands will be denied passage to Israel because the Joint Distribution Committee lacks the \$3,000,000 necessary to carry out their transfer, J.D.C. director-general Dr. Joseph J. Schwartz reported. He said that 500,000 Jews in Eastern Europe and the Arab world should be moved out as quickly as possible or they may

forever lose their chance of refuge in Israel. "Liberal emigration opportunities exist at the moment from various Eastern European countries, but these cannot be expected to last indefinitely," he said.

Leaders of several national Jewish organizations pledged the support of their respective groups to intensified economic assistance programs in behalf of Israel. Frank Goldman, president of B'nai B'rith, promised the aid of the 350,000 members affiliated with 1,536 B'nai B'rith chapters.

Benjamin G. Browdy, president of the Zionist Organization of America, said that "with this country spearheading the drive for the preservation of democracy, America itself now has the greatest stake in the future of Israel." He emphasized that by assuming a voluntary burden, "the Jews of the U.S. have relieved their government of a task which, in respect to all democracies except Israel, has fallen upon the U.S. Treasury alone. The American Government can no longer afford to have the Jewish community carry, alone, the stupendous burden of helping Israel to preserve its democracy," he said, requesting that the government consider a \$500,000,000 grant-in-aid for Israel.

Other speakers at the Conference sessions included Adolph Held, chairman of the Jewish Labor Committee; Mrs. Rose Halprin, Hadassah president; William Rosenwald, honorary president of the United Service for New Americans; Walter Bieringer, U.S.N.A. president; and Henry Albert, commander of the Jewish War Veterans.

ARRANGEMENTS FOR CONVERSION OF ANGLO-PALESTINE BANK TO ISRAEL NATIONAL BANK COMPLETED

TEL AVIV, Oct. 29. (JTA) -- With the completion of arrangements for the conversion of the Anglo-Palestine Bank from a British to an Israel corporation known as the Israel National Bank a circular was issued by the board of directors of the bank today to all shareholders proposing that the present shares of Anglo-Palestine Bank issue be replaced by shares issued by the Israel National Bank. This would be done, the circular pointed out, after the corporation is legally registered in Israel as a banking institution.

Ninety percent of the shareholders--most of whom are British citizens--have agreed to change their shares and the Anglo-Palestine Bank will go into liquidation, transferring all its assets to the new Israel National Bank. The circular proposes that three shares of the new company be distributed for every two of the old turned in and provides for the sale of two shares of stock at a nominal price for purchasers of seven shares of new stock. The old bank's assets amount to 1,200,000 pounds, while the new institution will be capitalized at 3,000,000 pounds.

The holders of shares in the Jewish Colonial Trust, Zionist forerunner of the Anglo-Palestine Bank, who control a majority of the voting stock in it, have agreed to exchange their shares for stock in the new company. It is expected that most of the holders of "A" stock, with no voting rights, will follow suit.

MORDECAI NAMIR, ISRAEL ENVOY TO MOSCOW, TO BE RELIEVED OF POST AT HIS OWN REQUEST

TEL AVIV, Oct. 29. (JTA) -- Mordecai Namir, Israel's Minister to Moscow, has been relieved of his duties at his own request, it was officially announced here today. Mr. Namir will return home in mid-November. It is understood that he will assume an important post when he returns, possibly the secretary-generalship of the Histadrut, Israel's labor federation.

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