

J T A DAILY NEWS BULLETIN

JEWISH TELEGRAPHIC AGENCY, INC. 231 West 58th Street, New York 19, N. Y.

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VOL. XIX No. 112 - 34th year

Tuesday, June 10, 1952

EXCHANGE OF CURRENCY STARTED IN ISRAEL; DOES NOT AFFECT BUSINESS

JERUSALEM, June 9. (JTA) -- Tens of thousands of Israelis today gathered outside banks in long queues to exchange their currency for the new bills which became legal tender at noon today. The banks halted all transactions except the exchange of currency in a 48-hour bank "holiday" which ends tomorrow night. All other business continued in orderly fashion with payment being made by check or by one pound bills and change.

The exchange was ordered in a surprise move announced last night by Finance Minister Eliezer Kaplan who revealed that the government would set aside ten percent of all sums on deposit over 50 pounds or all notes larger than one pound as part of a compulsory national loan by which the government hopes to raise 25,000,000 pounds towards its development budget and to stabilize its currency. Certificates will be issued for the withheld portion and the loan, maturing in 15 years, will bear four percent interest. The Finance Minister also disclosed that the government will soon submit to Parliament a bill aimed at forcing property owners to contribute to the compulsory loan.

Mr. Kaplan is scheduled to make a statement in the Knesset tomorrow on the compulsory loan and the exchange of currency. Meanwhile, political leaders seem confused by the development and are awaiting the Minister's statement, after which a full-scale debate will begin in Parliament. The Knesset praesidium has appealed to the government not to delay submission of the bill to include property owners in the compulsory loan so that all sections of the population may be involved equally.

Public Puzzled; Government Order Provokes Few Complaints

Both political leaders and the general public seem to be equally puzzled by the government's action, but it has caused far less complaint than might have been anticipated. More than one wag was heard to exclaim today: "Thank God, I have no money."

When he announced the exchange order at a press conference last night, Mr. Kaplan estimated that there might be as much as 170,000,000 pounds of currency in circulation in Israel, but the Minister said that the government would not be sure until it had all been turned in. The process of exchanging the bills will take two weeks, after which the old currency will cease to have any value.

Since it is illegal to take Israeli currency abroad except in one pound notes or less, Israeli consuls abroad have been instructed to exchange only coins and bills up to one pound in denomination. Larger bills are assumed to have been smuggled out of the country and are considered void.

"We recognize the seriousness of the measures we have just adopted," Mr. Kaplan told the press conference, "but we see their necessity for the stabilization of

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our currency." He pointed out that although the current year's regular budget is balanced, the government needs more money to meet its development budget and has decided not to issue more banknotes or securities to cover either the development or the defense budgets. He emphasized that the government expects all citizens to make sacrifices, if necessary, to help insure the country's economic independence.

Israel Press Receives Order with Mixed Reaction

TEL AVIV, June 9. (JTA) -- The exchange of currency and the compulsory loan announced last night by the Israel Government was met with a mixed reaction in the press here today.

Davar, leading Labor paper, welcomes the government's decision as "another move in the direction of recovery of the monetary situation and decrease of the exaggerated purchasing power of the citizenry." The paper, which is strongly pro-Government, says that the new move will help to stabilize the country's economy and to hold back inflation.

Haboker, organ of the General Zionists who are opposed to the present regime, calls the government's order "another desperate move." It criticizes the government for not having any "constructive measure" to announce. The paper does not see any possibility of improving the economic situation by freezing 10 percent of the money in circulation. Such a move, it says, will not encourage increased production or capital investments.

Haaretz, independent newspaper, says that the government move was unavoidable and is the logical result of the fact that the government's new economic policy has not accomplished its objectives. The paper considers the move not too heavy a burden on the Israeli people and, therefore, welcomes it. At the same time, it stresses the view that money exchanges and obligatory loans cannot replace necessary fundamental changes in the country's economy. The paper asks all citizens to accept patiently the discomforts involved in the currency exchange.

American Holders of Israeli Notes Will Have to Deposit Them

NEW YORK, June 9. (JTA) -- People in the United States holding old Israeli banknotes of one pound or half-pound denominations will be able to deposit these notes against official receipts in banks whose names and addresses will be released later, it was announced here today by the Israeli Office of Information. The deposits will be credited to the owners in a blocked account held in Israel by the Israel National Bank.

The announcement emphasized that owners of bills above denominations of one pound will not be afforded the same facilities, since, according to a law valid since the establishment of the state, only banknotes of one pound and half-pound denominations were permitted to be taken out of the country. It is, therefore, presumed, that all bills of higher denominations were taken out of the country illegally.

Deposits of Israel currency must be effected prior to June 22nd, the announcement said. All currency not deposited by that date will no longer be valid. Definite procedures for the deposit of these notes and the banks which will handle the transactions will be announced later.

ISRAEL CABINET RESTRICTS USE OF VEHICLES TO FIVE DAYS; SAVES FUEL

JERUSALEM, June 9. (JTA) -- A Cabinet decision to restrict vehicular traffic in Israel to save fuel was announced here today by the Ministry of Communications.

The announcement said that each vehicle in the country will be restricted to five days of use each week. One of the idle days will be Saturday. The hours of urban and inter-urban bus traffic will also be reduced. The Government hopes to cut fuel use by approximately 15 percent through these restrictions.

HAIFA MAYOR FINDS NO REAL RIVALRY BETWEEN BOND DRIVE AND U. J. A.

NEW YORK, June 9. (JTA) -- The belief that the Israel bond campaign and the United Jewish Appeal drive are exerting a mutually beneficial effect on one another was expressed at a luncheon here today by Mayor Abba Hushi of Haifa on the eve of his return to Israel after a speaking tour in behalf of the Israel bond drive which took him to 21 American cities.

Mayor Hushi said that the impression which he formed prior to his arrival of the "disastrous effects of the rivalry of the two campaigns" was not confirmed by his study of conditions as he visited various American cities. While there was need of coordination of the two campaigns, he said, it was his opinion--based on personal experience--that persons who purchased Israel bonds were more likely thereafter to contribute to the United Jewish Appeal. He cited several instances of this which had come to his personal attention.

Henry Montor, vice-chairman of the Israel bond drive, paid a warm tribute to Mayor Hushi, stating that no visitor from Israel since Prime Minister Ben Gurion had so stimulated bond sales. Mr. Montor revealed that the total sale of Israel bonds has exceeded \$135,000,000.

Mayor Hushi expressed the view that the second year of the bond campaign would surpass the first in sales. He declared that his study of the situation led him to believe that large areas of the Jewish population had not yet been reached.

The Haifa Mayor revealed that in the intervals between speech making, he had succeeded in making contact with a considerable number of American industrialists who have become interested in setting up plants in the Jewish State. He cited an important steel maker in Pittsburgh as one of these. He found another group of American industrialists who are interested in building 16-story structures on the new Haifa boulevard and he also contacted a large source of American building material, which will be made available to Israel.

59 IRAQ JEWS ARRIVE IN ISRAEL; FREED FROM PRISON BEFORE DEPARTURE

TEL AVIV, June 9. (JTA) -- Two planes carrying a total of 59 Iraqi Jewish immigrants landed at Lydda airport today.

The immigrants had been imprisoned for a lengthy period on charges of Zionist activity. They were released just before they were put aboard the planes bound for Israel.

AMERICAN MIZRACHI PARLEY SEEKS EVALUATION OF WORLD ZIONIST MOVEMENT

NEW YORK, June 9. (JTA) -- A proposal that the Mizrahi Organization of America take the initiative in convening a conference of all Zionist groups in the United States "for the purpose of evaluating the problems of the Zionist movement toward the goal of revamping the entire structure of the existing World Zionist Organization" was adopted here yesterday at a special all-day session of the Mizrahi national executive committee.

Another resolution urges that the Mizrahi World Union should hold its annual international conference this year in the United States instead of Israel. The Mizrahi World Union conference was originally scheduled to take place in Jerusalem in August.

The session of the Mizrahi executive also adopted a resolution approving a two-months campaign during the summer to prepare for special appeals in synagogues throughout the United States during the High Holidays in September on behalf of the Israel Bond campaign.

The formation of a National Friends of the Bar-Ilan University, which will seek to enlist support in the U. S. for the Mizrahi-sponsored university in Israel--which is expected to be ready for student admission in the 1953-54 academic year--was announced by Dr. Pinkhos Churgin, American Mizrahi president. He reported that local Friends of the Bar-Ilan University committees had already been established in many communities.

Rabbi Max Kirshblum, executive vice-president of the Mizrahi Organization of America, recommended the calling "at the earliest possible date" of a convocation in Jerusalem of all Jewish religious organizations and communities throughout the world for the purpose of "exploring the means by which Israel, as a spiritual center, can begin to radiate out into the lives of traditionally-minded Jews."

More than 1,000 leading members of the Mizrahi organization attended a dinner at the Commodore Hotel which followed the session. Principal speakers at the dinner included Senator Charles W. Tobey of New Hampshire and Dr. Benjamin Fins, education editor of the New York Times. The dinner marked the Golden Jubilee of the world Mizrahi movement.

TRUMAN MAKES NO PROMISE TO VETO THE MCCARRAN IMMIGRATION BILL

WASHINGTON, June 9. (JTA) -- President Truman gave no commitment today to three Democratic Senators who visited the White House to ask him to veto the McCarran-Walter omnibus immigration bill which has been described as "racist" and "reminiscent of Nazi laws." The Senators were Herbert H. Lehman, of New York, Hubert Humphrey, of Minnesota, and Blair Moody, of Michigan.

The Senators said after talking with the President that although he gave no promise to veto the controversial bill, they assured him that if he does veto it, they have enough votes lined up to sustain the veto. Sen. Lehman said the bill would cause "a grievous injustice" to millions.

The Senators made known that Senators William Benton, of Connecticut, and Paul H. Douglas, of Illinois, were to have accompanied the group to the White House but were out of the city. Sen. Pat McCarran meanwhile introduced the final draft of his bill, as prepared by a Senate-House conference. McCarran asked for quick action on the formality of approval for the report of Senate-House conferees. He said his bill was "fair, sound, and just."

U.S. SUPREME COURT REFUSES TO RECONSIDER DECISION ON GROUP LIBEL

WASHINGTON, June 9. (JTA) -- The U. S. Supreme Court today issued an order refusing to reconsider its April 18 decision upholding the constitutionality of a "group libel" law of the state of Illinois.

The Illinois law forbids the libelling of citizens because of race, color, or creed. The Supreme Court seldom reconsiders a case after a decision is handed down.

BRITH ABRAHAM CONVENTION APPROVES JEWISH CLAIMS AGAINST GERMANY

SO. FALLSBURG, N. Y., June 9. (JTA) -- A resolution approving the action of the Israel Government and the Conference on Jewish Claims Against Germany "regarding restitution for Jewish property confiscated by the Nazis and for which the entire German people bears responsibility," was adopted here today at the 65th national convention of Brith Abraham, Jewish fraternal order.

Other resolutions called upon the democratic and Republican parties to adopt in their platforms at the coming national conventions a "civil rights" program which will "unequivocally pledge support of action by the Federal Government to achieve the elimination of discrimination in employment and education because of race, color, religion and ancestry."

The delegates, in other resolutions took a strong stand against Communism and other forms of totalitarianism; called for effective anti-lynching legislation; opposed the McCarran-Walter immigration bill and asked President Truman to veto it, and urged the U. S. Government to ratify the United Nations Convention on Genocide.

In a resolution on Israel, the convention called upon American Jews "to give the fullest moral and economic support" to the Jewish State. It criticized the American Council for Judaism for its opposition to the Israel Bond drive and stressed that "a democratic Israel, economically independent and secure, is important for the freedom and peace of Jews everywhere."

BNAI ZION CONVENTION URGES EXPANDED JEWISH EDUCATION IN U.S.

MONTICELLO, N. Y., June 9. (JTA) -- The need for an expanded adult education program in the United States is emphasized in a resolution adopted here today at the closing session of the three-day convention of Bnai Zion, a Zionist fraternal order. Louis K. Bleecker, of Long Beech, N. Y., was elected national president of the order succeeding Dr. Jacob I. Steinberg who was named national treasurer.

The 500 delegates who attended the convention also adopted a resolution calling on President Truman to veto the McCarran Immigration measure. They also pledged intensified support of all economic aid programs in behalf of Israel.

RACIAL PREJUDICE DECLINING IN NEW YORK, MAYOR'S COMMITTEE REPORTS

NEW YORK, June 9. (JTA) -- The Mayor's Committee on Unity of New York City has reported that racial prejudice, although it continues to exist in the city, has become socially unacceptable. The Committee's report added that as a result those who discriminate do so through subterfuge. The report also said that there has been a "steady improvement in the climate of human relations" in New York.

LONG-RANGE INVESTIGATION INTO RACIAL TENSIONS STARTED IN BOSTON

BOSTON, June 9. (JTA) -- The United Community Services, acting at the request of the Jewish Community Council, will undertake a long-range investigation into the racial tensions of the Dorchester-Roxbury area, scene of numerous anti-Jewish incidents, it was announced today.

Arthur G. Rotch, president of the United Community Services, said funds from special sources will be available for the project which got underway today at a conference of city officials, representatives of the U.C.S. and of the Jewish community council.

Frederick B. Taylor, chairman of the U.C.S. recreation and group work division, will be in charge of the study, with fact-finding in the hands of Robert F. Rutherford, dean of the Simmons College of Social Work.

NEW PRESIDENT OF BOLIVIA SAYS HE ADMIRES JEWISH ACHIEVEMENTS

BUENOS AIRES, June 9. (JTA) --- Dr. Victor Paz Estenssoro, new President of Bolivia, in the first interview he has granted to a Jewish representative, told Dr. Aryeh Tartakower of the World Jewish Congress that he is a great friend of Israel and "admires Jewish achievements."

Dr. Tartakower, who met with the Bolivian President in La Paz several days ago, reported here today that Dr. Estenssoro complained of allegations that he is a Nazi and a Fascist--charges which he vehemently denied. The Bolivian President also pledged that his government would not set up racial or religious differences among its citizens. He also revealed that he would ask the next session of Parliament to ratify the United Nations genocide convention.

ISRAEL WILL SUPPORT MEXICAN PRESIDENT AS CANDIDATE FOR NOBEL PRIZE

MEXICO CITY, June 9. (JTA) -- Israel will support the candidacy of President Miguel Aleman of Mexico for the 1951 Nobel Peace Prize, it was announced here today by Dr. Moshe Toff, Israel's diplomatic representative.

Speaking to representatives of the Mexican press, Dr. Toff praised President Aleman for Mexico's stand at the United Nations in pursuing world peace. Dr. Toff was received by Finance Minister Ramon Beteta and by Senator Antonio Bermudez, director of "Pemex," the government office dealing with oil problems. It is understood that Israel seeks to buy crude oil in Mexico for the Haifa refineries.

CUBAN ZIONIST LEADER APPOINTED ISRAEL CONSUL IN HAVANA

HAVANA, Cuba, June 9. (JTA) -- Sender M. Kaplan, noted Cuban Zionist leader and editor of the Yiddish newspaper "Havaner Leben," was appointed Israel Consul here. The Government of Cuba today granted him permission to accept this post. Mr. Kaplan is a citizen of Cuba, where he has resided since 1929.

N.Y. CITY COLLEGE TO TEACH YIDDISH; COURSES TO CARRY DEGREE CREDIT

NEW YORK, June 9. (JTA) -- Courses in elementary and advanced Yiddish carrying degree credit will be offered at City College for the first time next fall, it was announced yesterday by Professor Sol Liptzin, chairman of the college's department of Germanic and Slavic languages. Non-matriculated students who wish to register will be admitted to the courses on a fee basis.