

# JTA DAILY NEWS BULLETIN

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## WEST GERMANY SIGNS 822 MILLION DOLLAR REPARATIONS PACTS WITH ISRAEL GOVT. AND JEWISH MATERIAL CLAIMS CONFERENCE

LUXEMBURG, Sept. 10, (JTA) -- The Federal German Republic today signed restitution and indemnification agreements with the State of Israel and the Conference on Jewish Material Claims Against Germany, under which Germany will pay \$822,000,000 in reparations over a 12-year period. Not a single word was exchanged between the German and Israeli and Jewish participants during the 10-minute ceremony.

Chancellor Konrad Adenauer signed the documents for Germany. Israel's Foreign Minister Moshe Sharett signed the agreement with the State of Israel and Dr. Nahum Goldmann, the agreements with the material claims conference.

The brief ceremony took place in the council chamber of the 18th century Luxembourg Town Hall, facing the city's ancient marketplace. Only selected representatives of the press witnessed the ceremony.

The German and Jewish participants entered the chamber simultaneously and took their seats at opposite sides of the table. Copies of the German-Israel agreement were presented simultaneously to Dr. Adenauer and Mr. Sharett for their signature at exactly 8 A. M., local time, after which the copies were exchanged and each signed the second copy.

Following this, Dr. Adenauer and Dr. Goldmann each signed the two protocols containing the agreement between West Germany and the Conference on Jewish Material Claims Against Germany, the agency representing 22 major Jewish organizations.

After the formalities were completed, Dr. Adenauer, Mr. Sharett and Dr. Goldmann retired to an antechamber where they had a private talk for about ten minutes. The nature of their conversation was not revealed.

### Details of Israeli-German Agreement

An agreement was also signed providing for the start of negotiations dealing with German property in Israel seized by Israel and held as security for the claims of Israel nationals against Germany. Negotiations are to start within four months of the date today's reparations treaty enters into force and if no agreement is reached within a stipulated time, the question is to be referred to a mediator chosen by the sovereign of either Denmark, Norway or Sweden.

The agreements signed today provide that Germany will pay the sum of three billion deutschmarks (\$915,000,000) to Israel and an additional four hundred and fifty million marks (\$107,000,000) to Israel for the benefit of the Conference on Jewish

Material Claims Against Germany. All payments are to be made in goods and payment is to begin with the coming into effect of the agreement on its ratification by the two states.

The agreement specifies that 200 million marks will be paid by March 31, 1953 and another 200 million marks during the financial year 1953-54. From April 1, 1954, the annual installments will be increased to 310 million marks. Germany, however, is entitled to reduce these payments to 250 million marks annually if it considers this necessary. The agreement is to run from 12 to 14 years.

#### Purchases to be Made Exclusively by Israel Mission

The purchase of commodities and provision of services will be carried out exclusively by an "Israel mission" to be dispatched to Germany by the Israel Government. The mission will have full diplomatic status. The treaty specifies that measures will be taken and facilities granted for the purchase of export goods to ensure that there will be no discrimination in respect to exports to Israel as compared to exports to other countries.

The commodities to be purchased will be detailed in schedules, of which the schedule for the first two years has already been agreed upon. In an exchange of letters annexed to the agreement, the Israel Government agreed that when purchasing commodities it will also seek goods from the industries of West Berlin.

It is also provided that supplies of oil of non-German origin will be provided for one year. These oil supplies will correspond to the quantities which Israel annually received from British oil companies and which cover approximately two-thirds of Israel's annual overall demand. Continuation of this oil agreement is envisaged, depending on the availability to Germany at the time of sufficient foreign exchange.

The agreement also contains provisions intended to ensure that its implementation may be adjusted to economic and financial changes that may occur during the life of the pact. On the other hand, provision is also made to ensure that no essential reduction of the substance of the obligation undertaken by Germany shall take place.

#### Joint Commission Will Supervise Pact's Operation

A mixed Israel-German governmental commission will supervise the implementation of the agreement. Disputes which may arise out of interpretation or application of the agreements will be submitted to an arbitration commission.

An exchange of letters annexed to the agreement states that claims of the State of Israel against Germany for recompense for the costs of integration of Jewish refugees will be regarded as having been settled with the coming into force of the agreement and Israel will advance no further claims against the Federal Republic arising in connection with losses which resulted from National Socialist persecutions.

One of the two protocols signed by Dr. Adenauer and Dr. Goldmann provided for the payment of 450 million marks (\$107, 000, 000) in settlement of financial claims advanced by the Conference on Jewish Material Claims Against Germany.

In the other protocol, Germany declared that as soon as possible it will take all steps within its power to ensure the carrying out of those principles applying to compensation and restitution that had been agreed upon in the negotiations. The German Government furthermore declared it will endeavor to carry out the entire compensation and restitution program within a ten-year period and will give priority to claimants over 60 years of age or who are hardship cases.

Dr. George Josephthal, member of the Israel delegation, said tonight that the Israel Parliament will not discuss ratification of the Israel-German treaty until after it has been ratified by the German Parliament.

## ACHESON URGES SPEEDY RATIFICATION OF REPARATIONS PACTS

WASHINGTON, Sept. 10. (JTA) -- Secretary of State Dean Acheson expressed "the hope of the United States" today that compensation agreements signed in Luxemburg by representatives of the Israel and German Governments "will be ratified without delay."

Mr. Acheson told a press conference that "the United States Government is pleased that the negotiations which have been in progress at The Hague between representatives of the German Federal Republic on the one hand and representatives of Israel and the Conference on Jewish Material Claims on the other, have resulted in the agreements which were signed in Luxemburg today. It is the hope of the United States that these agreements will be ratified without delay."

"It is significant," said Mr. Acheson, "that the first article of the constitution of the new Germany is a recognition of the dignity and the inalienable rights of man. The resolution adopted by the German Bundestag on Sept. 27, 1951, is a moving tribute to the determination of the German people that those rights shall not again be violated and to purge themselves of the wrongs inflicted on millions of innocent people. The agreements concluded today are a material demonstration of the resolve of the vast majority of the German people to make redress for the sufferings of the Jews under the Nazis."

## ISRAEL AND JEWISH CLAIMS CONFERENCE SIGN REPARATIONS AGREEMENT

NEW YORK, Sept. 10. (JTA) -- Israel and the Conference on Jewish Material Claims Against Germany signed a supplementary agreement here today on implementation of reparations agreements signed in Luxemburg with West Germany and covering payment by Israel to the Conference of the \$107,000,000 being paid by West Germany to Israel in settlement of the Conference's claims.

Ambassador Abba S. Eban signed the agreement for Israel and it was signed for the Conference by Jacob Blaustein, president of the American Jewish Committee; Frank Goldmann, president of B'nai B'rith; Dr. Israel Goldstein, president of the American Jewish Congress; and Adolph Heid, president of the Jewish Labor Committee.

The agreement will be submitted to the Conference's policy committee, on which all 22 member organizations are represented, at its next meeting, Sept. 17. At that time the policy committee will begin working out plans for the distribution of the Conference's share of the reparations.

A statement issued by the Conference praesidium at the signing reads: "The signing of the agreements today in Luxemburg and New York marks the close of a significant stage of the joint effort of Israel and the Conference to obtain Germany's recognition of its obligation to discharge Jewish material claims against Germany. Both the Government of Israel and the Jewish organizations throughout the world had long and jointly labored to rebuild the shattered lives of multitudes of Hitler's victims and today's agreement is an important contribution toward that end."

Ambassador Eban, in a statement for his government, declared: "The signing of the agreements in Luxemburg today will strengthen the general belief in the power of justice. Germany has acknowledged her responsibility for the crimes committed against the Jewish people."

"The agreement we have signed here today, for its part, is further evidence of the great partnership between the people of Israel and the Jewish organizations throughout the world who have by their joint efforts been responsible for the miraculous recovery of the Jewish people from the effects of the Nazi period. The continuation and strengthening of that partnership will, I am sure, lead to the consolidation of the gains which have already been made in Israel."

ISRAELI PARTIES HAIL REPARATIONS PACT; HERUT PLEDGES FIGHT

TEL AVIV, Sept. 10. (JTA) -- Satisfaction was expressed here today in government circles, among the coalition parties and in the moderate opposition over the signing at Luxemburg today of a treaty under which the West German Republic will pay \$715,000,000 in compensation to the State of Israel. They stressed the impact these payments will have on the economic development of the country.

A continued fight against the German-Israel agreement was pledged today by the right-wing Herut Party. Herut spokesmen said the party would launch a campaign, including a series of mass meetings, to protest against the agreement and to urge the boycott of German goods shipped to Israel under the agreement. They described the German reparations payments as "blood money."

300,000 JEWS TO GET COMPENSATION UNDER PACT, LEAVITT SAYS

NEW YORK, Sept. 10. (JTA) -- General satisfaction with the compensation and restitution agreements signed with West Germany in Luxemburg today was expressed here by Moses A. Leavitt, executive vice-chairman of the Joint Distribution Committee, on his arrival today from The Hague. Mr. Leavitt headed the negotiating team of the Conference on Jewish Material Claims Against Germany. He pointed out, however, that the agreements were still subject to ratification by the Bonn Parliament.

The agreement provides that Germany will establish machinery to handle the claims of individuals for losses incurred as a result of Nazi persecution, he said. Some 300,000 persecutees or their heirs will receive compensation no matter where they may presently be living.

U. N. CIRCLES EXPRESS SATISFACTION WITH REPARATIONS AGREEMENTS

UNITED NATIONS, N. Y., Sept. 10. (JTA) -- Satisfaction was expressed here today in U. N. circles over the successful outcome of the German reparations negotiations. U. N. officials freely admitted relief that this ticklish question had been settled without recourse to the U. N. Some delegates privately voiced the belief that Germany's recognition of her debt to the Jewish people for the suffering caused them by the Nazi regime was a welcome sign of German regeneration. Arab delegates were critical of Germany for a move which they said would strengthen Israel.

GERMAN ROLE IN REPARATIONS PACTS PRAISED

WASHINGTON, Sept. 10. (JTA) -- An editorial in the Washington Post today praised Germany for recognizing its obligations to Jews persecuted by the Nazi regime and said that while the agreement signed at Luxemburg "cannot mean the end of bitter Jewish memories," it should, at least, symbolize a willingness on both sides to make a new step. The paper added that "the Germans have now made a gesture that should raise them in the estimation of Jews and Christians alike" and the agreement "should help to persuade the Jewish people all over the world that there is, indeed, a new spirit in Germany."

ACHESON REFUSES COMMENT ON ISRAEL-AUSTRIAN TRADE TALKS

WASHINGTON, Sept. 10. (JTA) -- Secretary of State Dean Acheson said today he had no comment to make on current trade and credit negotiations between Israel and Austria. The Secretary also said that there was nothing he could usefully say about the status of plans for a Middle East defense command.

FINANCIAL GROUPS PROVIDE \$6,000,000 FOR ISRAEL OIL PURCHASES

TEL AVIV, Sept. 10. (JTA) -- An agreement was signed here today between the Israel Oil Company and an overseas financial group under which the latter will advance \$6,000,000 to the Israel Oil Company to enable it to sell an estimated 200,000 tons of oil on the local market. The financial group is composed of AMPAL-American Palestine Trading Corporation, American-Israel Oil Company and Overseas Discount Corporation.

The agreement will supply a working capital to permit the Israel Oil Company to obtain a steady supply of oil for the Israel market and thus contribute to the stability of the Israel Government oil policy. Israel's estimated consumption of oil in 1952 is in excess of 1,000,000 tons. The current price is about \$30 a ton.

Meanwhile, restrictions on the movement of private automobiles because of an oil shortage were today removed as adequate supplies of fuel became available.

RAW MATERIAL SHORTAGE CLOSES ISRAEL ELECTRIC BULB PLANT

TEL AVIV, Sept. 10. (JTA) -- The Philips electric bulb plant at Nathanya today closed down for two months because of a lack of raw materials. The workers will receive their full salary during the first month of idleness and 80 percent during the second month.

FLOUR MILL IN ISRAEL TO BE ENLARGED AND MODERNIZED

JERUSALEM, Sept. 10. (JTA) -- The Grands Moulins of Palestine, a subsidiary of the Palestine Jewish Colonization Association and one of the major flour mills in Israel, has embarked on a modernization and enlargement program.

The plant, one of the most modern in the country when it was set up in 1922, will now have a pneumatic conveyor system installed. In addition a silo capable of holding 3,000 tons of wheat will be constructed. Eventually it will be enlarged and will become one of the largest in the country. It is anticipated that the overhauled plant and the new silo will be ready early next year.

U.S. AID HELPING ISRAEL'S ECONOMY, HEALTH MINISTER SAYS

NEW YORK, Sept. 10. (JTA) -- Israel's economic health has greatly improved during the past 16 months as a result of American financial assistance, Dr. Joseph Burg, Minister of Health for Israel, declared here today upon his arrival from the Jewish State to participate in the National Economic Conference for Israel which will be held in Atlantic City this week-end under the auspices of the Israel bond drive organization.

Dr. Burg said that funds derived from the bond drive were like a "transfusion" to the economy of Israel, and added: "I am confident that Israel will soon achieve a robust and self-sufficient economic structure, if Americans continue to express their faith in our capacity to build new industries, develop our natural resources and expand our growing trade with other nations."

During his stay in this city, Dr. Burg will inspect various New York hospitals and will be guest of honor at several dinners. He will also tour the major cities of the U.S. in behalf of the bond campaign.

9/11/52

STATE DEPARTMENT ADMITS APPLYING MCCARRAN LAW TO VISA APPLICANTS

WASHINGTON, Sept. 10. (JTA) -- Acting Assistant Secretary of State Ben H. Brown, Jr., said today that information on the ethnic origin of applicants for U. S. visas will continue to be required under sections of the McCarran-Walter Immigration Act. The act does not enter into force until December 24 but for some months Jews applying abroad for U. S. visas have been required to identify themselves as Jews.

In a letter to Rep. Frances B. Bolton, member of the House Foreign Affairs Committee, replying to her protest to Secretary of State Dean Acheson against this requirement, Mr. Brown said:

"The facts are that visa application forms will continue to provide a blank space in which an applicant shall state his race, and each visa applicant shall also be required to state his ethnic classification, in accordance with the provisions of Section 222-A and C of the Immigration and Nationality Act (McCarran-Walter Act).

"The forms will not contain a list of races and ethnic classifications from which an alien may select the race or classification which applies to him and, of course, it will be left to each individual applicant to state what he considers to be his race and ethnic classification."

It was pointed out here that the legal basis for identification of Jewish visa applicants as Jews was stated by Mr. Brown to be the McCarran-Walter Act although the State Department had previously denied this and although this act is not yet in effect.

Immigration attorneys here point out that aliens who fail to provide an "ethnic classification" which satisfies the consular authorities may be arbitrarily denied visas under the new act. The penalty for not telling the truth is to be denied a visa, yet no definition is furnished of what constitutes the various "ethnic classifications."

In her letter to Secretary Acheson, Mrs. Bolton declared it had not been the intent of Congress in adopting the McCarran-Walter legislation, to provide for the racial identification of Jewish visa applicants and she denounced the ethnic classifications as scientifically unsound. Mrs. Bolton said today that she would closely observe the administrative structure being established by the State Department to process this division of the act.

Lehman Welcomes Truman's Appointment of Immigration Inquiry Unit

WASHINGTON, Sept. 10. (JTA) -- Sen. Herbert H. Lehman welcomed President Truman's appointment of a special commission on immigration and naturalization as "a logical move in the Administration's continuing fight to wipe out the intolerable discriminations against our naturalized citizens, and to assure justice and fair treatment for our alien residents and future immigrants."

He expressed confidence "that the commission will take full cognizance of the impact which discriminatory and restrictive immigration policies have on our country's foreign policy, on our civil liberties, labor market, and cultural foundations." The Senator added that people must be "made aware of the dangers to our civil liberties, and to the status of millions of our citizens and would-be citizens presented by the laws now on the statute books."