

# J T A DAILY NEWS BULLETIN

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## EBAN CONFERS WITH DULLES; STRESSES NEED FOR ARAB-ISRAEL PEACE

WASHINGTON, Feb. 26. (JTA) -- Israel Ambassador Abba Eban paid his first official visit to Secretary of State John Foster Dulles today and, following a 45-minute talk, said that the main objective of his visit was outlining the importance of a peace settlement in the Middle East. Ambassador Eban said that he believed that there was a common desire for peace in that area and that he had suggested some methods for achieving it.

The Ambassador said he also discussed with Secretary Dulles the general position of the Middle East in relation to current world affairs. Mr. Eban said he found Secretary Dulles keenly interested in peace and stability in that area. The Israeli diplomat mentioned the general subject of strengthening both Arab states and Israel militarily, but made no formal proposal on this point.

Mr. Eban also talked with Secretary Dulles about the Soviet Union's breaking off diplomatic relations with Israel as one of the elements which contributed to the tension in the Middle East and underlined the need of an Arab-Israel peace settlement. In summarizing his discussion Ambassador Eban said he thought that American-Israel relations were on a "firm foundation."

(The Christian Science Monitor, in an article by Joseph C. Harsch, says that Secretary Dulles' policy is "to withdraw any special consideration" accorded Israel by the United States and "to regard it as deserving no more consideration than any other country in the area." The article points out that "the change assumes, perhaps naively, that backtracking on support of Israel will make possible arrangements with the Arab states which will strengthen their internal security and make military bases available to the West in the event of war.")

## Israel to Make Third Payment on Export-Import Bank Loan

NEW YORK, Feb. 26. (JTA) -- The Israel Government will make its third payment to the U. S. Export-Import Bank next Monday on the \$135,000,000 loan it received from the Bank, it was announced here today by Dr. Martin Rosenblueth, representative of Israel's Ministry of Finance. The payment will amount to \$5,636,416 of which \$1,999,000 is interest on the loan.

Arthur Lourie, Israel representative at the United Nations, today announced that the Jewish State will increase its contribution to the Technical Assistance Administration by 42 percent, raising its contribution from \$28,000 to \$40,000 for the coming fiscal year. He made his announcement in a statement before the UN Technical Cooperation Administration conference.

## ISRAEL PATROL FIGHTS PITCHED BATTLE WITH ARABS AT BORDER

TEL AVIV, Feb. 26. (JTA) -- An Israeli patrol and a unit of Jordan irregulars fought a pitched battle in the border area near Hebron yesterday, an Israeli military spokesman announced today. One Israeli soldier was seriously wounded while the Arab forces suffered a number of casualties.

Israel representatives have lodged a protest with the Israel-Jordan Mixed Armistice Commission. This is the third incident in a week in this area. All three have involved irregular Arab forces.

An Israeli soldier was killed last Thursday when border troops clashed with Jordanian forces north of Beth Jibrin on the Israel-Jordan border, the military spokesman said. He charged that the Jordanians penetrated Israel territory and were driven off after a brief skirmish during which they suffered a number of casualties.

## ISRAEL CABINET MEETS ON BUDGET ISSUE; 20 PERCENT INCREASE SEEN

JERUSALEM, Feb. 26. (JTA) -- The Israel Cabinet held two sessions today chiefly devoted to a discussion of the forthcoming budget to be submitted to Parliament, it was announced here at midnight at a specially convened press conference.

The spokesman refused to give the total budget estimate, deferring that announcement until Sunday, after the Cabinet holds a third session on the problem and completes its work on the regular budget. However, it was learned that the budget will amount to approximately 218,000,000 pounds, an increase of about 20 percent over last year. The spokesman expressed confidence that the government would be able to balance its new budget as it has the current one.

When the Cabinet completes consideration of the regular budget it will turn to the development budget. Both documents must be ready for submission to Parliament before April 1 when the new fiscal year begins.

In response to questions, the spokesman said that the Cabinet had not discussed whether to permit German flag ships to enter Israeli ports with reparations goods. It is rumored that the government will make a decision on this matter at its Sunday meeting when it hears a report from Dr. F. Shinnar, its representative in Bonn on the reparations pact, who is returning to Israel this week-end.

## ISRAEL MOVING TOWARDS BALANCED ECONOMY, U. S. OFFICIAL REPORTS

NEW YORK, Feb. 26. (JTA) -- "Israel is moving towards a balanced economy," Ernest A. Maes, State Department official, reported today at a meeting of the Hadasah held at the Henry Hudson Hotel here. However, he added that normal trade relations between the Jewish State and neighboring Arab countries would accelerate the economic development of the entire Middle East and lessen the economic hardships of both Arabs and Jews. "There is a crying need for peace between Israel and the Arab states to assure the sound economic development of the area," he said.

Mr. Maes, who returned from Israel where he participated in the organization of the new joint fund of \$3,600,000, contributed equally by the governments of the United States and Israel for technical advances in industry and agriculture in that country, is Program Planning Chief of the Near East and African Development Service of the Technical Cooperation Administration, which charts the United States Point 4 Program of aid to underdeveloped areas.

He said the new joint fund of \$3,600,000 would enable Israel to carry out important agricultural experiments and strengthen its live-stock industry. He reported that the Israel Government was now giving "greater emphasis" to the development of its agriculture, which, he said, still attracts "too small a percentage of the people."

GERMAN SHIPS MAY BE PERMITTED TO BRING GOODS TO ISRAEL

TEL AVIV, Feb. 26. (JTA) -- Israel may be forced to reconsider its opposition to the transportation of German reparations goods to Israel in German merchant vessels, Foreign Minister Moshe Sharett indicated here today.

Commenting on the German Parliamentary recommendation to the Bonn Government that it re-negotiate this point with Israel, Mr. Sharett said: "It is hard to force the Germans to agree to discriminatory terms like forbidding German ships to enter Israeli ports."

He also pointed out that Israeli vessels have been visiting German ports for the past three years. However, he said no decision would be made on the matter until after a report had been received from Dr. F. Shinnar, Israel Government representative who is now in Germany pressing for ratification and implementation of the reparations pact.

LEBANON, YEMEN ABANDON OBJECTIONS TO GERMAN-ISRAEL PACT

BONN, Feb. 26. (JTA) -- Assurances that the Arab states will not boycott West German trade if Bonn implements its reparations agreement with Israel have been given Chancellor Konrad Adenauer by Prince Saïfed Hassan, Premier of Yemen and head of a Yemen trade delegation currently visiting Germany, it was reported here today.

Similar assurances are said to have been given the West German Government by the Lebanese Foreign Minister in the form of a letter. Some of the Arab governments are represented as believing that an economic boycott of Germany would endanger their own welfare.

On the other hand, reports continue to arrive from Cairo to the effect that if the Lower House of the German Parliament ratifies the reparations agreement, as it is expected to do by March 10, then trade relations between West Germany and the Arab League countries would be halted by the Arabs.

FIRST ISRAEL-PRODUCED FILM TO BE SHOWN IN GERMANY NEXT WEEK

DUSSELDORF, Feb. 26. (JTA) -- National Brotherhood Week in this city will be inaugurated March 1 with the showing of the Israeli film "Tent City" about the life of refugee immigrants arriving in Israel. It will be the first showing in Germany of an Israeli-produced film.

Viktor Renner, Minister of Justice of the Baden-Wuerttemberg Government, today called on the German Parliament to hold the last full meeting of its current session on the site of the former Nazi death camp at Belsen. He suggested that final action on the German-Israel reparations pact could be taken at that meeting and thus symbolize West Germany's democratic attitude and the will of the German people to make reparations to the Jews.

AMSTERDAM HONORS MEMORY OF DUTCH JEWS ANNIHILATED BY NAZIS

AMSTERDAM, Feb. 26. (JTA) -- The Mayor of Amsterdam, Dr. H. Dailly, and the city alderman yesterday laid a wreath at a monument in front of the Amsterdam Jewish Theatre in commemoration of the anniversary of the 1941 general strike in this city called to protest German deportation of Dutch Jews.

ISRAEL GOVERNMENT CONCLUDES TWO IMPORTANT ECONOMIC ARRANGEMENTS

TEL AVIV, Feb. 26. (JTA) -- The Israel Government today concluded two important economic agreements, one with the British-owned Consolidated Refineries Company and one with the Finnish Government.

The agreement with the oil company, which came after protracted negotiations begun nearly five years ago when the British Mandate in Palestine was surrendered, gives Israel the right to refine its own crude oil as well as to market its own crude or refined petroleum products. The company will also guarantee Israel oil products for local consumption and its revenues will be subject to Israeli fiscal regulations. The agreement, which was initialled today, is subject to Parliamentary approval in Jerusalem, further negotiation in London on technical details and final signature in London.

The Finnish trade agreement signed this afternoon extends the current, expiring pact between the two states and provides for Israel to import between \$7,000,000 and \$8,000,000 worth of goods in 1953. Israel will also be allowed to pay off in goods a debt resulting from the previous pact. Last year's trade between the two countries amounted to about \$4,500,000.

Meanwhile, it was announced that the Israel Attorney General will go to London to conclude long-pending negotiations with the board of the Palestine Electric Company. The Israel Government is anxious for the company to expand its facilities, but the company has been unable thus far to raise the necessary capital. The government is investing, meanwhile, considerable sums of money in the development of electric power.

JEWISH AGENCY REPORTS RAPID HOTEL CONSTRUCTION IN ISRAEL

NEW YORK, Feb. 26. (JTA) -- Israel is rapidly building first-class hotels in anticipation of record tourist seasons to come, it was reported today by the Jewish Agency's economic department here.

Twenty-five first-class hotels are under construction or have been completed since 1949, the report said. "Israel can now offer tourist hotel accommodations equal to those in other favored tourist countries. Many of the new hotels are in the luxury category. Their rates are considerably lower than those in the U. S. for comparable accommodations, and are on a plane with European rates. The foreign investment in Israel's new hotels already totals some \$10,000,000."

Despite the new construction, Israel still requires an additional 1,500 first-class hotel rooms, the report revealed. To remedy this, the Israel Government has offered land suitable for hotel construction in Galilee and other parts of the country. The Tiberias Development Company, which owns the concession at the famous hot springs, is prepared to participate in financing a new hotel near the thermal baths, the report said.

"The cost of hotel construction in Israel is considerably lower than in the U. S. and Europe because labor, which represents an important cost factor, is relatively inexpensive there," the report pointed out. "A fully air conditioned first-class hotel in Israel would cost between \$9,000 and \$12,000 per room compared to \$14,000 to \$18,000 per room for a similar hotel in the United States."

GERMAN ANTI-SEMITES UTILIZE PACT WITH ISRAEL FOR PROPAGANDA

NEW YORK, Feb. 26. (JTA) -- Germany is flooded with illegal, underground anti-Semitic cartoons, R. H. Shackford, Scripps-Howard staff writer who is investigating the rise of anti-Jewish feelings in West Germany, reports today from Frankfurt.

A current cartoon shows Israeli Premier Ben Gurion emerging from a conference with German Chancellor Konrad Adenauer over German reparations to be paid Jews and Israel for Nazi crimes against the Jews, he reports. Premier Ben Gurion is depicted holding a tablet inscribed: "Six million Jews Dead," and saying: "I can find more for you at that price."

Mr. Shackford says that the neo-Nazis have "latched onto" the restitution issue as a key plank in their campaign to revive Hitlerism. "No taxation for Jewish restitution," is their slogan. He emphasizes that the average German is willing to pay lip service to the idea of restitution. It eases his conscience. But when the chips are down, he places the Jew last on his list of war "victims" to be helped by the government.

CATHOLIC ORGAN URGES U. S. TO ADMIT JEWS ESCAPING FROM "RED TYRANNY"

UNION CITY, N. J., Feb. 26. (JTA) -- Stalin is "adding to his madness" by attacking the Jews at the same time he is trying unsuccessfully to destroy the Catholic Church, declares an editorial in the March issue of "The Sign," national Catholic magazine published here.

"No one in history has ever prevailed against either the Church or the Jews," the editorial entitled "And Now the Jews!" and signed by Rev. Ralph Gorman, the editor, asserts, "but Stalin is taking on both at the same time.

"We can have no doubt or hesitation as to our duty as Christians to help in every possible way the persecuted Jews. We should modify our immigration policy by opening wider our doors to these victims of Red Tyranny as well as to other refugees and expellees who are still searching for a new home and a new start in life.

"The recent about-face marks a great and important change in Soviet policy. Only the graves' reasons could induce Stalin to drop his liberal pose and to clothe himself in the filthy mantle of Nazi anti-Semitism," the article says. It points out that one opinion is that things are going badly in the USSR and in the satellite states and that Stalin is making a scapegoat of the Jews in order to divert to them the rising wrath of the people. Others believe that Stalin's anti-Semitic purge is part of his plan to win Germany.

"A third and perhaps partial explanation is Stalin's desire to secure control of the Middle East," the Catholic organ continues. "This area is rich in oil, it has long-coveted warm-water ports, and it is the broad highway to Southern Asia, Africa, and the soft underbelly of Europe. Posing as a friend of the Arabs and an enemy of Israel Stalin has a good chance of winning this highly strategic crossroads of the world without firing a shot," the article states.

SENATE GROUP PROBES NAVY'S ACTION AGAINST JEWISH CAPTAIN

WASHINGTON, Feb. 26. (JTA) -- The Senate Armed Services Committee today began consideration of the case of Naval Captain Hyman G. Rickover, son of an immigrant Jewish tailor, who developed the Navy's atomic program but who was twice denied promotion and is being forced to retire from naval service at the age of 53.

