



# DAILY NEWS BULLETIN

660 FIRST AVENUE

NEW YORK 16, N. Y.

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VOL. XX No. 37 - 36th year

Wednesday, February 24, 1954

**ISRAEL MINISTER PRESENTS "ANTI-INFLATIONARY" BUDGET TO PARLIAMENT**

JERUSALEM, Feb. 23. (JTA) -- An "anti-inflationary" budget for 1954-55, totalling 571,000,000 pounds--approximately \$317,000,000--was presented last night to the Israel Parliament for approval by the Cabinet. In presenting the budget, Finance Minister Levi Eshkol emphasized that the budget is aimed at checking inflation and at speeding up and stabilizing the country's economy.

The Minister, who estimated that prices would rise about 10 percent in the coming year--as compared to 20 percent for the past year and 66 percent the year before that--called on the Israeli people for an all-out effort and for continued austerity in national life to match the increased efforts of Jews abroad in behalf of Israel's financial stability.

Mr. Eshkol reviewed the economic highlights of 1953, stressing that the balance of payments had improved. Exports had risen from \$43,000,000 of a year ago to \$60,000,000 this year, while imports were cut from \$310,000,000 to \$286,000,000.

Israel's foreign currency situation has improved considerably, he pointed out, particularly due to the success of the "consolidation loan"--the five-year loan by American Jewish communities, underwritten by the receipts of the United Jewish Appeal, which is designed to provide for Israel ready cash to retire many short-term obligations and thus save heavy interest charges.

The Finance Minister expressed particular thanks to Edward M. M. Warburg, general chairman, and Dr. Joseph J. Schwartz, executive vice-chairman, respectively, of the United Jewish Appeal, who have sparked the drive for the \$75,000,000 loan, most of which has already been raised.

**National Income Rose During Year, Eshkol Reports**

Real national income had risen 13 percent by the end of December, 1953, as compared to December, 1952, he reported. Agriculture and industry expanded last year and \$197,000,000 came in from external sources--sales of Independence Bonds, German reparations, American grants-in-aid and other sources. A central national bank will be established soon, he added.

Filling in the picture as it pertains to agriculture, the Finance Minister disclosed that 43 new settlements were established last year, that the cultivated area of Israel had reached the 1,000,000 dunam (250,000 acre) figure--an increase of 20 percent--and that the total area under irrigation was now 640,000 dunams--an increase of 30 percent.

Israel is already growing cotton and its export peanut crop will total \$1,000,000 in the next year, he said. Fifteen thousand additional dunams were planted in orange trees last year and 20,000 dunams are planned for this year. The major emphasis in

agriculture this coming year, he underlined, will be in consolidating present gains and in expanding irrigation facilities and increasing overall water resources.

A total of 96 new industrial enterprises were started last year with a total invested capital of \$14,000,000 and 9,500,000 pounds. Industrial exports doubled last year as compared to 1952, the production of electric power also doubled and the production of various mineral resources was begun, while the extraction of potash was resumed. Investment continues on a high level, he emphasized.

The new budget--including 261,000,000 pounds for ordinary expenditures and 168,000,000 pounds for development purposes plus various sums for debt retirement, food subsidy programs and other purposes--is based on an overall rate of 1.8 pounds to the dollar. This factor alone made for a substantial increase in the size of the budget, an increase considered more realistic in terms of financial planning and thinking. Among the necessary expenditures which provide a heavy drain on the Treasury, Mr. Eshkol said, is the cost of educating some 200,000 children at an estimated cost of 30,000,000 pounds this year. He also reported on measures taken by the government to cut some of its fixed administrative costs.

### Income Tax in Israel Not Higher Than in Other Countries

Turning to taxes, the Minister asserted that the tax burden was not oppressive and that compared to income taxes in other countries, the Israeli income tax was not high. He announced that the government was taking extraordinary measures for collecting its taxes more efficiently and for punishing evaders. It is the government's policy to place the emphasis of taxation on indirect taxes and to reduce taxes on necessities while increasing them on luxury items.

The unemployment problem is still grave and may be further aggravated by the national drive for increasing the productivity of labor and industry, Mr. Eshkol stressed. There is no solution except for the jobless to turn to agriculture which is able to absorb upwards of 10,000 workers immediately, he insisted.

Mr. Eshkol concluded his presentation with the statement that "we have before us an enormous historical task. Its fulfillment is possible only if the people of Israel become a colonizing and building people, and if each does his part in establishing Israel's independence."

President Isaac Ben Zvi and all members of the Cabinet were present for the Parliamentary debate which began last night immediately after the presentation of the budget.

### INCIDENTS ON EGYPTIAN-ISRAEL BORDER MULTIPLY; ISRAEL PROTESTS

TEL AVIV, Feb. 23. (JTA) -- One Israeli soldier was killed, two Arab infiltrees were killed and nine others captured last week in the Gaza strip area, an Israeli military spokesman revealed here today, stressing that the Egyptians have stepped up their aggressions in the section. The Israelis have protested a number of recent raids by infiltrees from Egyptian territory to the Israel-Egyptian Mixed Armistice Commission.

Two Israeli Bedouin were wounded and one kidnapped in the last few days as Egyptian Bedouin crossed the demilitarized zone line near El Auja and attempted to steal camels owned by the Israeli Bedouin. A group of 50 armed Egyptian Arabs drove a large herd of cattle into Israel territory this week-end in the area between Beersheba and El Auja. They were intercepted by Israeli units and, after a four-hour clash, retreated to the Gaza strip leaving their cattle behind.

Meanwhile, a flock of sheep numbering over 100 head, have been found inside the Egyptian lines where they were taken last week by marauders who drove them off from Israel territory. The Egyptians refuse to return the sheep until the "conclusion of a police investigation."

AMERICAN JEWISH COMMITTEE FEARS NEW ANTI-JEWISH DRIVE IN USSR

NEW YORK, Feb. 23. (JTA) -- The American Jewish Committee today expressed "deep concern" that Soviet Russia may intensify its anti-Semitic campaign "now that there is a consolidation of power by the Red leaders, including Premier Georgi Malenkov, who organized the major anti-Jewish drive in the last months of the Stalin regime."

Irving M. Engel, president of the AJC, said that the "rehabilitation of Semyon D. Ignatiev and his return to a party position of power," raises the possibility that "anti-Semitism may continue as the official policy of the Soviet Government." Mr. Ignatiev is now first secretary of the Communist Party of the Bashir Autonomous Republic in the USSR.

Recalling that Mr. Ignatiev was the Minister of State Security in Moscow when the false accusations against the Jewish doctors in Moscow were contrived, Mr. Engel said: "The rehabilitation of Semyon D. Ignatiev and his return to a position of power is cause for deep concern that anti-Semitism may continue as the official policy of the Soviet Government. The fact that the Malenkov government openly rewards the perpetrators of the worse excesses of the Stalin regime is an ominous portent."

SENATORS URGE PRAYERS AGAINST PERSECUTION IN "IRON CURTAIN" LANDS

WASHINGTON, Feb. 23. (JTA) -- Sen. Leverett Saltonstall of Massachusetts today introduced a bi-partisan resolution calling on all churches and synagogues to set aside a portion of services on Sunday, April 18, to pray for deliverance of all persons behind the Iron Curtain who are experiencing religious persecution.

The co-sponsors of the resolution are Senators John F. Kennedy of Massachusetts and H. Alexander Smith of New Jersey. Sen. Saltonstall said the "Red terror" in Hungary and other Eastern European countries is "irrevocably committed" to deny religious freedom. He drew attention to the fact that the first day of Passover and Easter Sunday fall on April 18.

FORMER ANTI-SEMITIC GROUP IN ARGENTINA OPPOSES ANTI-JEWISH ACTS

BUENOS AIRES, Feb. 23. (JTA) -- The extreme rightwing Alianza Libertadora Nacionalista, which in the past has participated in anti-Semitic campaigns in various parts of Argentina, today announced that in keeping with President Juan Peron's anti-discrimination policy it was opposing all anti-Jewish campaigns as inconsistent with the national policy of freedom for all races and religions. The statement was hailed by Dr. Ezequiel Jabotinsky, president of the pro-Peronist Organizacion Israelita Argentina.

Meanwhile, the DAIA, central representative body of Argentine Jewry, has complained to Mayor Jorge Sabate of this city that the hospitals were discriminating against Jewish medical students, in contravention of Article XXVIII of the national Constitution and of President Peron's policy. Mayor Sabate has informed the DAIA and the Association of Jewish Doctors that all hospitals have been ordered to change their policy in this respect.

GERMAN LAWYER JAILED FOR DEFRAUDING JEWISH RESTITUTION CLAIMANTS

HANOVER, Feb. 23. (JTA) -- A German attorney in practice in Lower Saxony, Dr. Rudolf Grosse-Hagenbrock, has been arrested for fraud, blackmail, misrepresentation, tax evasion and violation of foreign currency control legislation in connection with restitution cases, a field in which he specialized.

Among the attorney's clients were several hundred Jewish restitution and indemnification claimants. According to charges filed by the district attorney in Bielefeld, Grosse-Hagenbrock converted to his own use large sums due them. To the Jewish owner of a house he sold for a substantial sum, he remitted the equivalent of three dollars.

## JEWISH GROUPS TESTIFY BEFORE SENATE COMMITTEE ON FAIR EMPLOYMENT

WASHINGTON, Feb. 23. (JTA) -- Testifying today at hearings on the Ives-Humphrey fair employment bill, a representative of 30 Jewish community councils and six national Jewish organizations called on the Senate Committee on Labor and Public Welfare "to complete its deliberations on the bill with dispatch, to report it favorably to the Senate, and to take every possible measure to bring it directly to the floor."

The representative--Albert E. Arent, a member of the NCRAC executive committee--presented the joint views of the American Jewish Congress, the Jewish Labor Committee, the Jewish War Veterans of the U. S., the Union of American Hebrew Congregations, the Union of Orthodox Jewish Congregations of America, the United Synagogue of America and numerous local Jewish community councils. All are affiliated with the National Community Relations Advisory Council.

In their testimony, the Jewish organizations said that the advocates of federal fair employment legislation had shown their readiness to compromise in order to meet the objections of critics of such legislation. It was now time, they declared, for the opponents to show their good faith by allowing the measure to come to a vote.

"The entire fair employment movement is a non-partisan movement," they said. "State fair employment laws have been passed by both Republican and Democratic legislatures and signed by Republican and Democratic governors. Our organizations were glad to advocate enactment of the bill now before you in the last Congress, when it was known as the Humphrey-Ives Bill, and we are equally glad to urge now the adoption of the Ives-Humphrey Bill. We are very pleased to note that this bill is sponsored by nine Republicans, nine Democrats and the one independent in the Senate."

Citing the great volume of evidence of the extent and serious consequences of the problem of employment discrimination that had been incorporated in the official reports of earlier hearings on fair employment bills, the testimony declared:

"Even if our economy were not weakened; even if our foreign relations were not impaired; even if no harmful effects could be shown to flow directly from employment discrimination, we would still be constrained to urge enactment of the legislation now before you. We would do so because to discriminate against human beings in their access to basic means of livelihood is to betray the heritage of religion, morality and ethic upon which our nation rests and to make a mockery of our professions of devotion to the principles of democratic equality."

The only real issue, the statement said, "is whether the Federal Government should act against this evil" and whether federal action should include provisions for effective enforcement. Opponents of fair employment legislation, the Jewish organizations continued, frame their opposition to effective enforcement provisions in terms of "compulsion." They termed this "plainly a false issue."

## U. N. COMMISSION TO START DELIBERATIONS ON CONVENTION ON HUMAN RIGHTS

UNITED NATIONS, N. Y., Feb. 23. (JTA) -- The United Nations Commission on Human Rights opened its tenth session here today with the unanimous election of Mahmoud Azmi of Egypt as chairman of the body.

Other officers of the commission, also named without dissent, were Rene Cassin of France, first vice-chairman, Prof. Enrique Rodriguez Fabregat of Uruguay, second vice-chairman, and Jose D. Ingles of the Philippine Republic, rapporteur. The commission agreed to start its session with deliberations on draft international covenants on human rights.

AMERICAN ZIONIST YOUTH CONVENTION PLEDGES AID TO ISRAEL

ATLANTIC CITY, N. J., Feb. 23. (JTA) -- More than 400 delegates representing 3,500 members in 16 states today pledged themselves at the Fourth Annual Educational Conference of the Young Adult Zionist Districts of the Zionist Organization of America to promote Hebrew education in the United States and to give maximum aid to Israel.

The conference received greetings from Israel's Premier Moshe Sharett, from ZOA president Rabbi Irving Miller, Governor Robert Meyner of New Jersey, and Maurice Bookstein, president of the Atlantic City Zionist District.

Miss Arlene Kalin, of Miami Beach, addressing the gathering as chairman of the conference committee, declared that "with the political and economic reverses confronting Israel, and in the face of continuing doubts on the part of so many as to the necessity for the Zionist movement, it is more important than ever that our young people appraise realistically the present situation -- both here and in Israel -- and play their rightful role in the strengthening of the Zionist movement as well as in the consolidation of Israel's economy and political security."

Eliasher Ben-Horin, attache of the Israel Embassy in Washington, told the delegates that Israel is worried about the possibility of significant arms shipments to the Arab states. "Far be it from us to wish to stand in the way of the strengthening of the Middle East for its own security," Mr. Ben-Horin said. "But to supply arms to countries whose fondest dream is to attack Israel, vengefully and successfully, will contribute nothing to the security of the area. Indeed, it could only tend to embroil the area in further serious trouble."

Z. O. A. HONORS SOUTH AFRICAN ZIONIST LEADER, ISRAELI PUBLISHER

NEW YORK, Feb. 23. (JTA) -- Simon M. Kuper, president of the South African Zionist Federation, and Gustave Schocken of Tel Aviv, editor and publisher of the independent Hebrew daily "Haaretz," who have just arrived on a brief visit to this country, were honored at a luncheon tendered by the Zionist Organization of America at the Hotel Waldorf-Astoria. Dr. Emanuel Neumann, former president of the ZOA and member of the Jewish Agency executive, presided.

Mr. Kuper, who came to this country in connection with the efforts of the Committee for Jewish Claims on Germany and Austria, stressed the role of South African Zionists in rendering financial and economic aid to Israel. He reported that the South African Zionist Federation, of which he is president, is comprised of all Zionist parties and groups in that country and directs all activities in behalf of Israel, including fund-raising.

E. P. GOLDSCHMIDT, FAMOUS BOOK DEALER, DIES IN LONDON

LONDON, Feb. 23. (JTA) -- Ernst Phillip Goldschmidt, internationally known book dealer and antiquarian, died here this week-end at the age of 66.

Mr. Goldschmidt was born in Vienna where he acquired ownership of a famous book-selling business. However, he was hard hit financially in the post-World War I period and migrated to Britain where he re-established himself in the book business.

He issued more than 100 scholarly catalogues, many of which are now standard fixtures of libraries, during his 30 years of business in England. He wrote several books on antique manuscripts and, under a pseudonym, published in 1942 a statement on Britain's trading situation and a forecast of the country's economic future.